



# FEDERAL REGISTER

VOLUME 16

NUMBER 44

Washington, Tuesday, March 6, 1951

## TITLE 3—THE PRESIDENT

### EXECUTIVE ORDER 10220

AUTHORIZING THE APPOINTMENT OF STANLEY C. WOLLASTON TO A COMPETITIVE POSITION WITHOUT REGARD TO THE CIVIL SERVICE RULES

By virtue of the authority vested in me by section 2 of the Civil Service Act of January 16, 1883 (22 Stat. 403, 404), it is hereby ordered that Stanley C. Wollaston may be appointed to a competitive position in the Department of Labor without compliance with the competitive provisions of the Civil Service Act and Rules.

HARRY S. TRUMAN

THE WHITE HOUSE,  
March 2, 1951.

[F. R. Doc. 51-2985; Filed, Mar. 2, 1951;  
3:31 p. m.]

### EXECUTIVE ORDER 10221

PROVIDING FOR THE ADMINISTRATION OF  
DISASTER RELIEF

By virtue of the authority vested in me by the act of September 30, 1950, entitled "An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes" (Public Law 875, 81st Congress), hereinafter referred to as the act, and as President of the United States, it is hereby ordered as follows:

1. The following-described authority and functions shall be exercised or performed by the Housing and Home Finance Administrator, or by any officer or officers in his agency designated by him:

(a) The authority conferred upon the President by section 3 of the act to direct Federal agencies to provide assistance in any disaster which is in the determination of the President a major disaster.

(b) The authority conferred upon the President by section 5 (a) of the act to coordinate the activities of Federal agencies in providing disaster assistance and to direct any Federal agency to utilize its available personnel, equipment, supplies, facilities, and other resources, in accordance with the authority contained in the act.

(c) The preparation of proposed rules and regulations for the consideration of

the President and issuance by him under section 5 (b) of the act.

(d) The preparation of the annual and supplemental reports provided for by section 8 of the act, for the consideration of the President and transmittal by him to the Congress.

2. Nothing in this order shall be construed to prevent any Federal agency from affording such assistance and taking such other action as may accord with the existing policies, practices, or statutory authority of such agency, in the event of any disaster which will not permit delay in the commencement of Federal assistance or other Federal action, and pending the determination of the President whether the disaster is a major disaster.

HARRY S. TRUMAN

THE WHITE HOUSE,  
March 2, 1951.

[F. R. Doc. 51-2986; Filed, Mar. 2, 1951;  
3:31 p. m.]

## TITLE 14—CIVIL AVIATION

### Chapter I—Civil Aeronautics Board

#### Subchapter A—Civil Air Regulations

[Supp. 7, Amtd. 65]

#### PART 60—AIR TRAFFIC RULES

##### DANGER AREA ALTERATIONS

The danger area alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to the public interest, and therefore is not required. Title 14, § 60.13-1 is amended as follows:

1. The Milford, Delaware, area, published on January 26, 1951, in 16 F. R. 713, is amended by changing the "Time of Designation" column to read: "Daylight hours only (when ceiling is at least 5,000 feet and visibility is 3 miles or better, based on Dover AFB weather reports)".

(Continued on p. 2053)

## CONTENTS

### THE PRESIDENT

Executive Orders	Page
Disaster relief; providing for administration.....	2051
Wollaston, Stanley C.; authorizing appointment to competitive position without regard to civil service rules.....	2051

### EXECUTIVE AGENCIES

Agriculture Department  
See Production and Marketing Administration.

Alien Property, Office of  
Notices:

Vesting orders, etc.:	
Albert, Alexander.....	2112
Braukmann, Barbara, et al.....	2114
Brehmer, Hedwig.....	2113
Freise, Martha Charlotte, et al.....	2117
German nationals.....	2112
Germann, Julia A.....	2115
Groos, Henry.....	2115
Horsinka, Theresia.....	2115
Meeske, Amanda.....	2114
Rosenbaum, Paul.....	2117
Schlieper, Annette Casassa.....	2116
Schlieper, Hans A.....	2116
Transocean.....	2114
Traverso, Paulino and Aurelia.....	2117
Van Tongeren-Boers, Mrs. Maria Justina, et al.....	2117
Vereinigte Glanzstoff-Fabrik A. G.....	2113
Wolff Metternich Zu Gracht.....	2113

### Civil Aeronautics Administration

Rules and regulations:	
Air traffic rules; danger area alterations.....	2051
Civil airways, designation; miscellaneous amendments.....	2054
Control areas, control zones, and reporting points, designation; miscellaneous amendments.....	2054
Federal aid to public agencies for development of public airports; eligible airport development, project costs, and procedure.....	2053

Civil Aeronautics Board  
See also Civil Aeronautics Administration.





Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

## CODE OF FEDERAL REGULATIONS

1949 Edition

The following book is now available:

Title 3, 1950 Supp. (\$2.00)

Order from Superintendent of Documents,  
Government Printing Office, Washington  
25, D. C.

## CONTENTS—Continued

<b>Civil Aeronautics Board—Con.</b>	Page
Notices:	
Free and reduced-rate transportation case; hearing	2105
<b>Commerce Department</b>	
See Civil Aeronautics Administration; Federal Maritime Board; National Production Authority.	
<b>Defense Transport Administration</b>	
Notices:	
Delegation of authority to Director, Warehousing and Storage Division, with respect to administration of DTA Delegation 2 (Del. 3)	2104
<b>Economic Stabilization Agency</b>	
See Price Stabilization, Office of.	
<b>Employees' Compensation Bureau</b>	
Rules and regulations:	
Compensation for disability and death of noncitizens outside U. S.; extension of special schedule of compensation	2059

## CONTENTS—Continued

<b>Federal Communications Commission</b>	Page
Notices:	
Hearings, etc.:	
Booth Radio & Television Stations, Inc., et al.	2106
City Broadcasting Corp. and Gardner Broadcasting Co. (WHOB)	2107
Logan Broadcasting Corp. (WVOW)	2105
Matrangola, Francis J.	2106
Motions Commissioner, designation	2105
Roberts, Cecil W. (KREI)	2105
Rounsaville, Robert S. (WQXI)	2106
Station WTNJ	2106
Rules and regulations:	
Disaster Communications Service	2079
<b>Federal Maritime Board</b>	
Notices:	
Isbrandtsen Co., Inc.; hearing on application to bareboat charter a dry-cargo vessel	2102
<b>Federal Power Commission</b>	
Notices:	
Hearings, etc.:	
Billings Gas Co.	2108
Bonneville Project	2109
Brooklyn Union Gas Co.	2108
Consolidated Edison Co. of New York, Inc.	2107
Montana-Dakota Utilities Co.	2108
Phillips Petroleum Co.	2109
<b>Federal Reserve System</b>	
Rules and regulations:	
Real estate credit; defense construction	2078
<b>Federal Trade Commission</b>	
Rules and regulations:	
Cease and desist orders:	
Dareh Garment Co., Inc.	2058
Frelch, Inc.	2058
Karol, Irene	2057
Muffet, Mary, Inc.	2057
National Dress Goods Co.	2057
Wax Bros. & Rosenberg Dress Co., Inc.	2058
<b>Home Loan Bank Board</b>	
Proposed rule making:	
Federal savings and loan system; approval required of change in office locations involving a move of more than one mile or outside of municipality	2102
<b>Housing and Home Finance Agency</b>	
See Home Loan Bank Board.	
<b>Housing Expediter, Office of</b>	
Rules and regulations:	
Rent, controlled; housing and rooms in rooming houses and other establishments: Indiana, Michigan, and Ohio	2060
New Jersey	2059
<b>Interstate Commerce Commission</b>	
Notices:	
Applications for relief:	
Alcoholic liquors from Peoria and Pekin, Ill., to southern territory	2109

## CONTENTS—Continued

<b>Interstate Commerce Commission—Continued</b>	Page
Notices—Continued	
Applications for relief—Con.	
Rye from Minnesota and Wisconsin to Peoria, Ill.	2109
Mississippi intrastate express rates and charges	2110
<b>Justice Department</b>	
See Alien Property, Office of.	
<b>Labor Department</b>	
See Employees' Compensation Bureau; Wage and Hour Division.	
<b>National Production Authority</b>	
Rules and regulations:	
Power equipment; production and delivery (M-44)	2077
Rubber (M-2)	2065
<b>Price Stabilization, Office of</b>	
Rules and regulations:	
American upland cotton (CPR 8)	2060
Exemption of sales and deliveries of exported commodities under existing contracts (GCPR, SR 9)	2063
Texas citrus juices; emergency adjustment (GCPR, SR 10)	2064
<b>Production and Marketing Administration</b>	
Proposed rule making:	
Cotton classification	2084
Milk handling in Detroit, Mich., area	2084
<b>Public Contracts Division</b>	
See Wage and Hour Division.	
<b>Securities and Exchange Commission</b>	
Notices:	
Hearings, etc.:	
Gulf States Utilities Co.	2110
Hope Natural Gas Co.	2111
Republic Service Corp.	2111
Southern Co.	2110
Rules and regulations:	
Forms under Securities Exchange Act; instruction books for forms for companies making certain annual reports	2059
<b>Veterans' Administration</b>	
Rules and regulations:	
Veterans claims; miscellaneous amendments	2078
<b>Wage and Hour Division</b>	
Notices:	
Employment of handicapped clients; issuance of certificates to sheltered workshops	2103
Proposed rule making:	
Puerto Rico; minimum wage rate in men's and boy's clothing and related products industry	2101
<b>CODIFICATION GUIDE</b>	
A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.	
<b>Title 3</b>	Page
<b>Chapter II (Executive orders):</b>	
10220	2051
10221	2051



## CODIFICATION GUIDE—Con.

<b>Title 7</b>	
Chapter I:	
Part 27 (proposed) .....	2084
Part 28 (proposed) .....	2084
Chapter IX:	
Part 924 (proposed) .....	2084
<b>Title 14</b>	
Chapter I:	
Part 60 .....	2051
Chapter II:	
Part 550 .....	2053
Part 600 .....	2054
Part 601 .....	2054
<b>Title 16</b>	
Chapter I:	
Part 3 (6 documents) .....	2057, 2058
<b>Title 17</b>	
Chapter II:	
Part 249 .....	2059
<b>Title 20</b>	
Chapter I:	
Part 25 .....	2059
<b>Title 24</b>	
Chapter I:	
Part 145 (proposed) .....	2102
Chapter VIII:	
Part 825 (2 documents) .....	2059, 2060
<b>Title 29</b>	
Chapter V:	
Part 703 (proposed) .....	2101
<b>Title 32A</b>	
Chapter III (OPS):	
CPR 8 .....	2060
GCPR, SR 9 .....	2063
GCPR, SR 10 .....	2064
Chapter VI (NPA):	
M-2 .....	2065
M-44 .....	2077
Chapter XV (FRS):	
Reg. X .....	2078
<b>Title 38</b>	
Chapter I:	
Part 3 .....	2078
<b>Title 47</b>	
Chapter I:	
Part 20 .....	2079

2. The Camp Breckinridge, Kentucky, area, published on January 13, 1951, in 16 F. R. 344, is amended by changing the "Description by Geographical Coordinates" column to read: "Beginning at Corydon, Ky., at lat. 37°44'30" N, long. 87°42'30" W; southerly to Dixie, Ky., at lat. 37°41'00" N, long. 87°41'00" W; SE to Poole, Ky., at lat. 37°38'30" N, long. 87°39'00" W; SW to Tilden, Ky., at lat. 37°36'30" N, long. 87°41'30" W; WNW to Boxville, Ky., at lat. 37°37'30" N, long. 87°49'30" W; NW to Morganfield, Ky., at lat. 37°41'00" N, long. 87°55'00" W; ENE to Waverly, Ky., at lat. 37°42'45" N, long. 87°49'00" W; ENE to Corydon, Ky., at lat. 37°44'30" N, long. 87°42'30" W, point of beginning".

3. The South Wellfleet, Massachusetts, area, published on April 21, 1949, in 14 F. R. 1913, under Wellfleet, Massachusetts, amended on July 27, 1949, in 14 F. R. 4665, and on March 11, 1950, in 15 F. R. 1329, is revised to read:

Name and location (chart)	Description by geographical coordinates	Designated altitudes	Time of designation	Using agency
<b>SOUTH WELFLEET (Boston Chart).</b>	<b>Area I:</b> Beginning at lat. 41°56'00" N, long. 69°58'30" W; NNW to a point 3 nautical miles from the shoreline at lat. 42°09'55" N, long. 70°02'10" W; SSE paralleling the shoreline at a distance of 3 nautical miles to lat. 41°48'30" N, long. 69°51'60" W; NW to lat. 41°56'00" N, long. 69°58'30" W, point of beginning.	Unlimited.....	Continuous.....	Hdqs., 1st Army, Governors Island, N. Y.
	<b>Area II:</b> Beginning at lat. 41°52'39" N, long. 69°59'00" W; N to lat. 41°54'55" N, long. 69°59'00" W; ENE to the W boundary of Area I at lat. 41°55'00" N, long. 69°58'00" W; S along W boundary of Area I to lat. 41°52'50" N, long. 69°58'50" W; W to lat. 41°52'39" N, long. 69°59'00" W, point of beginning.	Surface to 3,000 feet.	Sunrise to sunset, 7 days a week.	33d Fighter-Interceptor Wing, Otis AFB, Falmouth, Mass.

## 4. A Fort Sill, Oklahoma, area is added to read:

Name and location (chart)	Description by geographical coordinates	Designated altitudes	Time of designation	Using agency
<b>FT. SILL (Oklahoma City Chart).</b>	N boundary: lat. 34°47'00" N; E boundary: long. 98°21'00" W; S boundary: lat. 34°38'00" N; W boundary: long. 98°24'00" W.	Surface to unlimited.	Continuous, March 7, 1951, through March 8, 1951.	Ft. Sill Artillery School, Ft. Sill, Okla.

5. The Dahlgren, Virginia, area, published on April 21, 1949, in 14 F. R. 1913, and amended on July 27, 1949, in 14 F. R. 4665, is further amended by changing the "Description by Geographical Coordinates" column to read: "West Area: Beginning at lat. 38°28'20" N, long. 76°57'00" W; SSE to lat. 38°18'00" N, long. 76°54'00" W; ESE to lat. 38°14'40" N, long. 76°43'25" W; SSE to lat. 38°13'25" N, long. 76°42'50" W; SSE to lat. 38°11'10" N, long. 76°42'20" W; SW to lat. 38°09'55" N, long. 76°44'00" W; W to lat. 38°10'00" N, long. 76°46'00" W; westerly along the S shore of the Potomac River to lat. 38°16'10" N, long. 76°58'50" W; WSW to lat. 38°13'10" N, long. 77°07'00" W; NNW to lat. 38°21'30" N, long. 77°09'50" W; NNE to lat. 38°27'00" N, long. 77°06'35" W; ENE to lat. 38°28'20" N, long. 77°01'10" W; due E to lat. 38°28'20" N, long. 76°57'00" W, point of beginning". The East Area remains unchanged.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

This amendment shall become effective on March 6, 1951.

[SEAL]

L. C. ELLIOTT,  
Acting Administrator of  
Civil Aeronautics.

[F. R. Doc. 51-2890; Filed, Mar. 5, 1951; 8:46 a. m.]

## Chapter II—Civil Aeronautics Administration, Department of Commerce

[Rev. of May 10, 1949, Amdt. 14]

## PART 550—FEDERAL AID TO PUBLIC AGENCIES FOR DEVELOPMENT OF PUBLIC AIRPORTS

## ELIGIBLE AIRPORT DEVELOPMENT, PROJECT COSTS, PROCEDURE

Acting pursuant to the authority vested in me by the Federal Airport Act,

I hereby amend Part 550 of the regulations of the Civil Aeronautics Administration as follows:

1. Section 550.3 (a) is hereby amended by adding a new subparagraph (5) reading as follows:

## § 550.3 Eligible airport development—(a) Minimum requirements. \* \* \*

(5) No project will be approved for the acquisition of land which has been or will be donated to the sponsor, where the sponsor is requesting a grant on the basis of the value of such land, unless: (i) Subsequent to the enactment of the Act, the sponsor has accomplished other items of airport development (or has entered into a Grant Agreement therefor), or the construction or alteration of hangars, at an expense to the sponsor equaling or exceeding the United States share of the value of donated land; or (ii) the project also includes other items of airport development the estimated cost of which would require a sponsor's contribution equaling or exceeding the United States share of the estimated value of the donated land; or (iii) the sponsor agrees as part of the Grant Agreement for such project to accomplish other items of airport development, or the construction or alteration of hangars, at an expense to the sponsor equaling or exceeding the United States share of the estimated value of the donated land.

2. Section 550.4 (a) is hereby amended by adding two new subparagraphs (7) and (8) as follows:

## § 550.4 Project costs—(a) Eligibility. \* \* \*

(7) The purchase price or value of any land sold or donated to the sponsor by another public agency.

(8) That portion of the purchase price or value of any land sold or donated to the sponsor which represents the value of any airport facilities or improvements constructed or made with the funds of



any public agency prior to the execution of a Grant Agreement for such airport development.

3. Section 550.5 (c) (1) is hereby amended to read as follows:

§ 550.5 Procedure. \* \* \*

(c) Project application. \* \* \*

(1) Funds. Each Project Application submitted by a sponsor which is to furnish all or any portion of the project funds not to be furnished by the United States, shall state that such sponsor has on hand, or show that it is in a position to obtain as and when needed, funds sufficient to pay all estimated costs of the proposed project which are not to be borne by the United States or by another sponsor: *Provided*, That if any of such funds are to be furnished to a sponsor, or used to pay project costs on behalf of a sponsor by a State agency or any other public agency which is not itself to be a sponsor of the proposed project, evidence satisfactory to the Administrator that such funds will be so provided if the proposed project is approved may be submitted by the public agency which is to provide the funds rather than by the sponsor. If any portion of the estimated project costs consists of the value of donated land, labor, materials or equipment, the project application shall so state, indicating the nature of each such donation and the value attributed to each. (See § 550.11 (b) (2), Representation 2.)

(Secs. 1-15, 60 Stat. 170-178, as amended; 49 U. S. C. and Sup., 1101-1114)

This amendment shall become effective upon publication in the FEDERAL REGISTER.

DONALD W. NYROP,  
Administrator of Civil Aeronautics.

[F. R. Doc. 51-2883; Filed, Mar. 5, 1951;  
8:45 a. m.]

[Amdt. 43]

#### PART 600—DESIGNATION OF CIVIL AIRWAYS

##### MISCELLANEOUS AMENDMENTS

The civil airway alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest, and therefore is not required. Part 600 is amended as follows:

1. Section 600.107 *Amber civil airway No. 7 (Key West, Fla., to Caribou, Maine)* is amended by deleting the portion which reads: "excluding that portion more than 3 miles east of the southwest course of the Washington, D. C., radio range between the Doncaster, Md., fan marker and the intersection of the southwest course of the Washington, D. C., radio

range and the northwest course of the Tappahannock, Va., radio range".

2. Section 600.214 *Red civil airway No. 14 (Lone Rock, Wis., to Huntington, W. Va.)* is amended by adding the following sentence to the end of the present airway: "From the Louisville, Ky., omnirange station via the intersection of the Louisville, Ky., omnirange 136° True radial and the west course of the Lexington, Ky., VHF radio range; Lexington, Ky., VHF radio range station to the Huntington, W. Va., radio range station."

3. Section 600.219 *Red civil airway No. 19 (Goshen, Ind., to Norfolk, Va.)* is amended by deleting the first sentence which reads: "From the Grand Rapids, Mich., radio range station via the intersection of the southwest course of the Grand Rapids, Mich., radio range and the north course of the Goshen, Ind., radio range to the Goshen, Ind., radio range station."

4. Section 600.603 *Blue civil airway No. 3 (Tallahassee, Fla., to Sault Ste. Marie, Mich.)* is amended by adding to the end of present airway: "From the intersection of the south course of the Goshen, Ind., radio range and the southwest course of the Fort Wayne, Ind., radio range via the Goshen, Ind., radio range station; the intersection of the north course of the Goshen, Ind., radio range and the southwest course of the Grand Rapids, Mich., radio range; Grand Rapids, Mich., radio range station; Cadillac, Mich., non-directional radio beacon; Traverse City, Mich., radio range station; Pellston, Mich., non-directional radio beacon to the Sault Ste. Marie, Mich., radio range station."

5. Section 600.642 *Blue civil airway No. 42 (Goshen, Ind., to Saginaw, Mich.)* is amended by deleting the first sentence which reads: "From the intersection of the south course of the Goshen, Ind., radio range and the southwest course of the Fort Wayne, Ind., radio range to the Goshen, Ind., radio range station."

6. Section 600.662 *Blue civil airway No. 62 (Ypsilanti, Mich., to Traverse City, Mich.)* is amended by adding the following to the present airway: "the Gladwin, Mich., non-directional radio beacon to the Traverse City, Mich., radio range station."

7. Section 600.681 is added to read:

§ 600.681 *Blue civil airway No. 81 (Charleston, W. Va., to Akron, Ohio)*. From the intersection of the north course of the Charleston, W. Va., radio range and the southwest course of the Parkersburg, W. Va., VHF radio range via the Zanesville, Ohio non-directional radio beacon to the Akron, Ohio, radio range station.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 302, 52 Stat. 985, as amended; 49 U. S. C. 452)

This amendment shall become effective 0001 e. s. t. March 6, 1951.

[SEAL]

L. C. ELLIOTT,  
Acting Administrator of  
Civil Aeronautics.

[F. R. Doc. 51-2948; Filed, Mar. 5, 1951;  
8:58 a. m.]

[Amdt. 46]

#### PART 601—DESIGNATION OF CONTROL AREAS, CONTROL ZONES, AND REPORTING POINTS

##### MISCELLANEOUS AMENDMENTS

The control area, control zone and reporting point alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of Section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest, and therefore is not required. Part 601 is amended as follows:

1. Section 601.13 *Green civil airway No. 3 control areas (San Francisco, Calif., to Boston, Mass.)* is amended by adding the following to the present control areas: "From the Chicago Heights, Ill., omnirange station to the intersection of the Chicago Heights omnirange 333° True en route radial and the Chicago-Midway ILS localizer course; from the Chicago Heights, Ill., omnirange station to the Millersburg, Ind., omnirange station via the direct enroute and 15° south altitude change radials; Millersburg, Ind., omnirange station to the Toledo, Ohio, omnirange station via the direct enroute and 15° north and south altitude change radials; Toledo, Ohio, omnirange station to the Cleveland, Ohio, omnirange station via the direct enroute radials excluding danger areas and via the Toledo omnirange 119° True and the Cleveland omnirange 258° True altitude change radials; Cleveland, Ohio, omnirange station to the Youngstown, Ohio, omnirange station via the direct enroute and 15° north altitude change radials and the Cleveland 116° True and the Youngstown 250° True altitude change radials; Toledo, Ohio, omnirange station to the Youngstown, Ohio, omnirange station via the intersection of the Toledo 119° True altitude change radial and the west course of the Wellington, Ohio, VAR VHF radio range; Wellington, Ohio, VAR VHF radio range station; the intersection of the east course of the Wellington, Ohio, VAR VHF radio range and the Youngstown 250° True altitude change radial; from the Youngstown, Ohio, omnirange station to the Phillipsburg, Pa., omnirange station via the direct enroute and the Youngstown 87° True and the Phillipsburg 303° True altitude change radials; Phillipsburg, Pa., omnirange station to the Selinsgrove, Pa., omnirange station via the direct enroute radials; Selinsgrove, Pa., omnirange station to the Allentown, Pa., omnirange station via the direct enroute radials; Allentown, Pa., omnirange station to the Matawan, N. J., VAR VHF radio range station via the Allentown omnirange direct enroute radial; from the Allentown, Pa., omnirange station to the Linden, N. J., nondirectional radio beacon via the Allentown omnirange direct enroute radial; from the Allentown, Pa., omnirange station to the Caldwell, N. J., omnirange station via the direct



en route radials; and from the Philipsburg, Pa., omnirange station to the Caldwell, N. J., omnirange station via the Philipsburg 83° True and the Caldwell 277° True altitude change radials; from Selinsgrove, Pa., omnirange station to the Caldwell, N. J., omnirange station via the Selinsgrove 77° True and the Caldwell 277° True altitude change radials, and from the Philipsburg, Pa., omnirange station to the Allentown, Pa., omnirange station via the Philipsburg 113° True and the Allentown 258° altitude change radials, excluding that portion which lies more than 4 miles south of the Allentown, Pa., omnirange 258° True altitude change radial."

2. Section 601.106 is amended to read:

§ 601.106 *Amber civil airway No. 6 control areas (Jacksonville, Fla., to United States-Canadian Border)*. All of Amber civil airway No. 6 including all that area within 5 miles either side of the en route and altitude change radials and the area between the altitude change and en route radials from the Nashville, Tenn., omnirange station to the Bowling Green, Ky., omnirange station via the direct en route and 15° east altitude change radials, including all that area bounded on the southwest by Blue 3, on the northwest by Amber 6 and on the east by the Nashville-Bowling Green omnirange direct en route radials.

3. Section 601.212 *Red civil airway No. 12 control areas (Kansas City, Mo., to Williamsport, Pa.)* is amended by adding the following to the present control areas: "From Naperville, Ill., omnirange station to the South Bend, Ind., omnirange station via the direct en route radials. From the Erie, Pa., omnirange station to the Philipsburg, Pa., omnirange station via the direct en route radials."

4. Section 601.214 is amended by changing caption to read: "*Red civil airway No. 14 control areas (Lone Rock, Wis., to Huntington, W. Va.)*."

5. Section 601.219 is amended by changing caption to read: "*Red civil airway No. 19 control areas (Goshen, Ind., to Norfolk, Va.)*."

6. Section 601.255 is amended to read:

§ 601.255 *Red civil airway No. 55 control areas (Burlington, Iowa, to Columbus, Ohio)*. All of the Red civil airway No. 55 including all that area 5 miles either side of the direct en route radials from the South Bend, Ind., omnirange station to the Millersburg, Ind., omnirange station.

7. Section 601.603 is amended to read:

§ 601.603 *Blue civil airway No. 3 control areas (Tallahassee, Fla., to Sault Ste Marie, Mich.)*. All of Blue civil airway No. 3 from the Tallahassee, Fla., radio range station to a point 25 miles north of the Pellston, Mich., non-directional radio beacon, including all that area within 5 miles either side of the direct en route radials from the Nashville, Tenn., omnirange station to the Evansville, Ind., omnirange station and including the area bounded on the northwest by Blue 44, on the east by Blue 3 and on the southwest by the Nashville-Evansville omnirange direct en route radials.

8. Section 601.642 is amended by changing caption to read: "*Blue civil airway No. 42 control areas (Goshen, Ind., to Saginaw, Mich.)*."

9. Section 601.662 is amended by changing caption to read: "*Blue civil airway No. 62 control areas (Ypsilanti, Mich., to Traverse City, Mich.)*."

10. Section 601.681 is added to read: "*Blue civil airway No. 81 control areas (Charleston, W. Va., to Akron, Ohio)*. All of Blue civil airway No. 81."

11. Section 601.1030 *Control area extension Lebo, Kans.*, is revoked.

12. Section 601.1030 is added to read:

§ 601.1030 *Control area extension (Victorville, Calif.)*. All that area within the vicinity of George AFB, Victorville, Calif., bounded on the north by Green 4, on the southwest by Blue 14 and on the southeast by Amber 2.

13. Section 601.1075 is added to read:

§ 601.1075 *Control area extension (Ada, Okla.)*. All that area within a 15 mile radius of the Ada, Okla., Municipal Airport.

14. Section 601.1081 *Control area extension Zanesville, Ohio*, is revoked.

15. Section 601.1081 is added to read:

§ 601.1081 *Control area extension (Windsor Locks, Conn.)*. All that area in the vicinity of Bradley Field, Windsor Locks, Conn., bounded on the southwest and west by Blue 41, on the northwest by Red 33, on the northeast by Green 2 and on the east by Amber 7, and all that area southwest of Bradley Field bounded on the northwest by Red 33, on the northeast by Blue 41 and on the south by Red 13.

16. Section 601.1140 *Control area extension Des Moines, Iowa*, is revoked.

17. Section 601.1140 is added to read:

§ 601.1140 *Control area extension (Youngstown, Ohio)*. All that area within a 15 mile radius of the Youngstown, Ohio, omnirange station.

18. Section 601.1162 is amended to read:

§ 601.1162 *Control area extension (Danville, Va.)*. Within a 5 mile radius of the Danville Municipal Airport extending 5 miles either side of a track bearing 356° True from the airport to a point 10 miles north, and extending 5 miles either side of a track bearing 57° True from the airport to a point 10 miles northeast of the airport.

19. Section 601.1223 is added to read:

§ 601.1223 *Control area extension (Allentown, Pa.)*. All that area within a 15 mile radius of the Allentown, Pa., omnirange station.

20. Section 601.1224 is added to read:

§ 601.1224 *Control area extension (Philipsburg, Pa.)*. All that area within a 15 mile radius of the Philipsburg, Pa., omnirange station.

21. Section 601.1225 is added to read:

§ 601.1225 *Control area extension (Erie, Pa.)*. All that area within a 15 mile radius of the Erie, Pa., omnirange station.

22. Section 601.1226 is added:

§ 601.1226 *Control area extension (Tampa, Fla.)*. From the Tampa, Fla., radio range station to the eastern boundary of the New Orleans Oceanic Control Area along a rhumb line between the Tampa, Fla., radio range station and the Callendar, La., non-directional radio beacon, extending 5 miles either side of the rhumb line at the Tampa radio range station thence diverging to a width of 10 miles either side of the rhumb line at its intersection with the eastern boundary of the New Orleans Oceanic Control Area, excluding that portion below 2,000 feet which lies outside the continental limits of the United States.

23. Section 601.1227 is added:

§ 601.1227 *Control area extension (Tampa, Fla.)*. From the Tampa, Fla., radio range station to the intersection of the southwest course of the Tampa radio range with the eastern boundary of the Miami Oceanic Control Area, extending 5 miles either side of the southwest course at the radio range station thence diverging to a width of 10 miles of the centerline of the southwest course at its intersection with the eastern boundary of the Miami Oceanic Control Area, excluding that portion below 2,000 feet which lies outside the continental limits of the United States.

24. Section 601.1228 is added:

§ 601.1228 *Control area extension (Tampa, Fla.)*. All that area 5 miles either side of a straight line from the Tampa, Fla., radio range station to the Key West, Fla., radio range station, excluding that portion below 2,000 feet between its intersection with the southwest course of the Fort Myers, Fla., radio range and Amber civil airway No. 7 and excluding the portion which overlaps Airspace Warning Areas.

25. Section 601.1229 is added to read:

§ 601.1229 *Control area extension (Tampa, Fla.)*. All that area along a straight line between the Tampa, Fla., radio range station and the Tyndall AFB, Fla., radio range station, extending 5 miles either side of the line at the radio range stations thence diverging to 10 miles either side of the line at a point halfway between the radio range stations, excluding the portion which overlaps danger areas and excluding that portion below 2,000 feet which lies outside the continental limits of the United States.

26. Section 601.1230 is added to read:

§ 601.1230 *Control area extension (Miami, Fla.)*. From the intersection of the southeast course of the Fort Myers, Fla., radio range and the west course of the Miami, Fla., radio range to the eastern boundary of the Miami Oceanic Control Area, along a rhumb line between that intersection and the Brownsville, Tex., radio range station, extending 5 miles either side of the rhumb line between that intersection and a point on the coastline at Lat. 25°48'50", Long. 81°30'40", thence extending 5 miles on the south side and diverging on the north side of the rhumb line to a width of 10 miles at its inter-



section with the eastern boundary of the Miami Oceanic Control Area, excluding the portion below 2,000 feet which lies outside the continental limits of the United States.

27. Section 601.1231 is added to read:

§ 601.1231 *Control area extension (Miami, Fla.)*. From the Miami, Fla., radio range station extending 5 miles either side of a straight line to the Key West, Fla., radio range station, excluding the portion below 700 feet and excluding the portion which overlaps Airspace Warning Areas.

28. Section 601.1232 is added to read:

§ 601.1232 *Control area extension (Miami, Fla.)*. An area bounded by a line beginning on the eastern edge of Amber civil airway No. 7 at Lat. 25°53'00", thence easterly to the western boundary of the Miami Oceanic/Nassau Control Area at Lat. 25°55'00", Long. 79°00'00", thence due south along that boundary to Lat. 24°40'00"; thence southwesterly to Lat. 24°00'00" Long. 80°25'00"; thence due north to the eastern edge of Amber No. 7, thence along Amber 7 to Lat. 25°53'00", point of beginning, excluding that portion below 1,000 feet which lies outside the continental limits of the United States.

29. Section 601.1233 is added to read:

§ 601.1233 *Control area extension (Key West, Fla.)*. From the Key West, Fla., radio range station to the northern boundary of the Havana, Cuba, Control Area, extending 5 miles either side of a rhumb line between the Key West, Fla., radio range station and the Rancho Boyeros, Havana, Cuba, non-directional radio beacon, excluding the portion below 2,000 feet which lies outside the continental limits of the United States.

30. Section 601.1234 is added to read:

§ 601.1234 *Control area extension (Key West, Fla.)*. From the intersection of the southwest course of the Homestead, Fla., radio range and the northeast course of the Key West, Fla., radio range to the northern boundary of the Havana, Cuba, Control Area, extending 5 miles either side of a rhumb line between that intersection and the Rancho Boyeros, Havana, Cuba, non-directional radio beacon, excluding the portion below 2,000 feet between Amber Civil Airway No. 7 and the Havana, Cuba, Control Area boundary.

31. Section 601.1235 is added to read:

§ 601.1235 *Control area extension (West Palm Beach, Fla.)*. From the West Palm Beach, Fla., radio range station extending 5 miles either side of the east course of the West Palm Beach, Fla., radio range to its intersection with the western boundary of the Miami Oceanic/Nassau Control Area, excluding the portion below 2,000 feet outside the continental limits of the United States and excluding the portion which overlaps Airspace Warning Areas.

32. Section 601.1236 is added to read:

§ 601.1236 *Control area extension (West Palm Beach, Fla.)*. From the West Palm Beach, Fla., radio range sta-

tion to the western boundary of the Miami Oceanic/Nassau Control Area, extending 5 miles either side of a rhumb line between the West Palm Beach, Fla., radio range station and the Nassau, B. W. I., radio range station, excluding the portion below 2,000 feet which lies outside the continental limits of the United States.

33. Section 601.1983 (3 mile control zone) is amended by deleting the following airport:

Oceana, Va.: Naval Auxillary Air Station.

34. Section 601.1984 (5 mile control zone) is amended by adding the following airport:

Oceana, Va.: Naval Auxillary Air Station.

35. Section 601.2031 is amended to read:

§ 601.2031 *Houston, Tex., control zone*. Within a 5 mile radius of the Houston Municipal Airport and within a 5 mile radius of the Ellington AFB, extending 2 miles either side of the southeast course of the Houston radio range to the Webster fan marker, extending 2 miles either side of the southwest course of the Houston radio range to the Arcola fan marker, and extending 2 miles either side of the northwest course of the Houston radio range to the Houston fan marker.

36. Section 601.2060 *Lebo, Kansas, control zone* is revoked.

37. Section 601.2060 is added:

§ 601.2060 *Pellston, Mich., control zone*. Within a 5 mile radius of Emmet County Airport, Pellston, Mich., extending 2 miles either side of a track bearing 132° True from the Pellston non-directional radio beacon to a point 10 miles southeast.

38. Section 601.2238 is amended:

§ 601.2238 *New York, N. Y., control zone*. Within a 5 mile radius of the New York International Airport (Idlewild), extending 2 miles either side of the southwest course of the Idlewild, N. Y., radio range to the intersection of the southwest course of the Idlewild radio range and the northeast course of the Philadelphia, Pa., radio range, and extending 2 miles either side of the southeast course of the Floyd Bennett (Navy) radio range to the intersection of the southeast course of the Floyd Bennett (Navy) radio range and the southwest course of the Mitchel AFB radio range.

39. Section 601.2284 is added to read:

§ 601.2284 *Traverse City, Mich., control zone*. Within a 5 mile radius of Traverse City Airport extending 2 miles either side of the southeast course of the Traverse City radio range to a point 10 miles southeast of the radio range station.

40. Section 601.2285 is added to read:

§ 601.2285 *Victorville, Calif., control zone*. Within a 5 mile radius of George AFB, Victorville, Calif., extending 2 miles either side of a track bearing 360° True from the George AFB to a point 15 miles north.

41. Section 601.4107 *Amber civil airway No. 7 (Key West, Fla., to Caribou,*

*Maine)* is amended after "Key West, Fla., radio range station:" by adding the following compulsory reporting point: "the intersection of the northeast course of the Key West, Fla., radio range and the southwest course of the Homestead, Fla., radio range;"

42. Section 601.4214 is amended by changing caption to read: "Red civil airway No. 14 (Lone Rock, Wis., to Huntington, W. Va.)."

43. Section 601.4219 is amended by changing caption to read: "Red civil airway No. 19 (Goshen, Ind., to Norfolk, Va.)."

44. Section 601.4603 is amended by changing caption to read: "Blue civil airway No. 3 (Tallahassee, Fla., to Sault Ste Marie, Mich.)."

45. Section 601.4639 *Blue civil airway No. 39 (Knorrville, Tenn., to U. S.-Canadian Border)* is amended by adding the following compulsory reporting point before "Syracuse, N. Y., radio range station": "The intersection of the southeast course of the Pittsburgh, Pa., radio range and the northeast course of the Morgantown, W. Va., radio range;"

46. Section 601.4642 is amended by changing caption to read: "Blue civil airway No. 42 (Goshen, Ind., to Saginaw, Mich.)."

47. Section 601.4662 is amended by changing caption to read: "Blue civil airway No. 62 (Ypsilanti, Mich., to Traverse City, Mich.)."

48. Section 601.4681 is added to read:

§ 601.4681 *Blue civil airway No. 81 (Charleston, W. Va., to Akron, Ohio)*. No reporting point designation.

49. Section 601.5001 "Other reporting points" is amended by adding the following compulsory reporting points:

*Gulfstream intersection*: The intersection of the southeast course of the Miami, Fla., radio range and the northeast course of the Key West, Fla., radio range.  
 Abilene, Tex., omnirange station.  
 Albuquerque, N. Mex., omnirange station.  
 Ardmore, Okla., omnirange station.  
 Big Spring, Tex., omnirange station.  
 Carlsbad, N. Mex., omnirange station.  
*Delaware Springs intersection*: The intersection of the Salt Flat, Tex., 85° True radial and the Carlsbad, N. Mex., 215° True radial.  
 El Paso, Tex., omnirange station.  
 Fort Worth, Tex., omnirange station.  
*Harrington intersection*: The intersection of the Hot Springs, N. Mex., 162° True radial and the El Paso, Tex., 271° True radial.  
 Hobbs, N. Mex., omnirange station.  
 Hot Springs, N. Mex., omnirange station.  
*La Joya intersection*: The intersection of the Hot Springs, N. Mex., 21° True radial and the Albuquerque, N. Mex., 169° True radial.  
 Las Vegas, N. Mex., omnirange station.  
 Midland, Tex., omnirange station.  
 Mineral Wells, Tex., omnirange station.  
 Oklahoma City, Okla., omnirange station.  
 Otto, N. Mex., omnirange station.  
 Ponca City, Okla., omnirange station.  
 Raton, N. Mex., omnirange station.  
 Roswell, N. Mex., omnirange station.  
*Rule intersection*: The intersection of the Big Spring, Tex., 54° True radial and the Abilene, Tex., 359° True radial.  
 Salt Flat, Tex., omnirange station.  
 San Angelo, Tex., omnirange station.  
 Santa Fe, N. Mex., omnirange station.  
 Tucumcari, N. Mex., omnirange station.  
 Tulsa, Okla., omnirange station.  
 Wichita Falls, Tex., omnirange station.



(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

This amendment shall become effective 0001 e. s. t., March 6, 1951.

[SEAL] L. C. ELLIOTT,  
Acting Administrator of  
Civil Aeronautics.

[F. R. Doc. 51-2949; Filed, Mar. 5, 1951;  
8:58 a. m.]

## TITLE 16—COMMERCIAL PRACTICES

### Chapter I—Federal Trade Commission

[Docket 5104]

#### PART 3—DIGEST OF CEASE AND DESIST ORDERS

MARY MUFFET, INC.

Subpart—Advertising falsely or misleadingly: § 3.30 Composition of goods. Subpart—Misrepresenting oneself and goods—Goods: § 3.1590 Composition. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 3.1845 Composition. In connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce, advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Mary Muffet, Inc., Docket 5104, Dec. 26, 1950]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondent, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner with exceptions thereto, and briefs and oral argument of counsel; and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Mary Muffet, Inc., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of articles of wearing apparel or other products composed in whole or in part of rayon, in commerce as "commerce" is described in the Federal Trade Commission Act, do forthwith cease and desist from advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content.

It is further ordered, That the charge in the complaint that respondent has misrepresented the fiber content of certain of its products through the use of the word "crepe" be, and the same hereby is, dismissed.

It is further ordered, That respondent shall, within sixty (60) days after service upon it of this order, file with the Com-

mission a report in writing setting forth in detail the manner and form in which it has complied with this order.

Issued: December 26, 1950,

By the Commission.

[SEAL] D. C. DANIEL,  
Secretary.

[F. R. Doc. 51-2905; Filed, Mar. 5, 1951;  
8:50 a. m.]

[Docket 5139]

#### PART 3—DIGEST OF CEASE AND DESIST ORDERS

IRENE KAROL

Subpart—Advertising falsely or misleadingly: § 3.30 Composition of goods. Subpart—Misrepresenting oneself and goods—Goods: § 3.1590 Composition. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 3.1845 Composition. In connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce, advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Max Orenstein et al. doing business as Irene Karol, Docket 5139, Dec. 26, 1950]

In the Matter of Max Orenstein and Louis Karpf, Individually and as Copartners Trading and Doing Business as Irene Karol

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondents, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner with exceptions thereto, and briefs and oral argument of counsel (Pursuant to request of counsel exceptions to the trial examiner's recommended decision and briefs and oral argument of counsel in the matter of Mary Muffet, Inc., Docket 5104, were considered in this matter to the extent applicable, the same as though they had been physically filed or made in this proceeding); and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondents, Max Orenstein and Louis Karpf, individually and as copartners trading and doing business as Irene Karol, or trading under any other name, and their agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from advertising, offering for sale, or selling prod-

ucts composed in whole or in part of rayon without clearly disclosing such rayon content.

It is further ordered, That the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: December 26, 1950.

By the Commission.

[SEAL] D. C. DANIEL,  
Secretary.

[F. R. Doc. 51-2900; Filed, Mar. 5, 1951;  
8:49 a. m.]

[Docket 5167]

#### PART 3—DIGEST OF CEASE AND DESIST ORDERS

NATIONAL DRESS GOODS CO.

Subpart—Advertising falsely or misleadingly: § 3.30 Composition of goods. Subpart—Misrepresenting oneself and goods—Goods: § 3.1590 Composition. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 3.1845 Composition. In connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce, advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, National Dress Goods Co., Docket 5167, Dec. 26, 1950]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner with exceptions thereto, and briefs and oral argument of counsel (Pursuant to request of counsel exceptions to the trial examiner's recommended decision and briefs and oral argument of counsel in the matter of Mary Muffet, Inc., Docket 5104, were considered in this matter to the extent applicable, the same as though they had been physically filed or made in this proceeding); and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, National Dress Goods Company, a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from advertising, offering for sale, or selling products



composed in whole or in part of rayon without clearly disclosing such rayon content.

*It is further ordered*, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

Issued: December 26, 1950.

By the Commission.

[SEAL]

D. C. DANIEL,  
Secretary.

[F. R. Doc. 51-2904; Filed, Mar. 5, 1951;  
8:50 a. m.]

[Docket 5221]

PART 3—DIGEST OF CEASE AND DESIST  
ORDERS

DARESH GARMENT CO., INC.

Subpart—*Advertising falsely or misleadingly*: § 3.30 *Composition of goods*. Subpart—*Misrepresenting oneself and goods—Goods*: § 3.1590 *Composition*. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 3.1845 *Composition*. In connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce, advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Daresh Garment Co., Inc., Docket 5221, Dec. 26, 1950]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondent, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner with exceptions thereto, and briefs and oral argument of counsel (Pursuant to request of counsel exceptions to the trial examiner's recommended decision and briefs and oral argument of counsel in the matter of Mary Muffet, Inc., Docket 5104, were considered in this matter to the extent applicable, the same as though they had been physically filed or made in this proceeding); and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

*It is ordered*, That the respondent, Daresh Garment Company, Inc., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from advertising, offering for sale, or selling products com-

posed in whole or in part of rayon without clearly disclosing such rayon content.

*It is further ordered*, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

Issued: December 26, 1950.

By the Commission.

[SEAL]

D. C. DANIEL,  
Secretary.

[F. R. Doc. 51-2903; Filed, Mar. 5, 1951;  
8:50 a. m.]

[Docket 5223]

PART 3—DIGEST OF CEASE AND DESIST  
ORDERS

FRELICH, INC.

Subpart—*Advertising falsely or misleadingly*: § 3.30 *Composition of goods*. Subpart—*Misrepresenting oneself and goods—Goods*: § 3.1590 *Composition*. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 3.1845 *Composition*. In connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce, advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Frellich, Inc., Docket 5223, Dec. 26, 1950]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondent, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner with exceptions thereto, and briefs and oral argument of counsel (Pursuant to request of counsel exceptions to the trial examiner's recommended decision and briefs and oral argument of counsel in the matter of Mary Muffet, Inc., Docket 5104, were considered in this matter to the extent applicable, the same as though they had been physically filed or made in this proceeding); and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

*It is ordered*, That the respondent, Frellich, Inc., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content.

*It is further ordered*, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

Issued: December 26, 1950.

By the Commission.

[SEAL]

D. C. DANIEL,  
Secretary.

[F. R. Doc. 51-2901; Filed, Mar. 5, 1951;  
8:49 a. m.]

[Docket 5276]

PART 3—DIGEST OF CEASE AND DESIST  
ORDERS

WAX BROS. & ROSENBERG DRESS CO., INC.

Subpart—*Advertising falsely or misleadingly*: § 3.30 *Composition of goods*. Subpart—*Misrepresenting oneself and goods—Goods*: § 3.1590 *Composition*. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 3.1845 *Composition*. In connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce, advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Wax Bros. & Rosenberg Dress Co., Inc., Docket 5276, Dec. 26, 1950]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondent, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner with exceptions thereto, and briefs and oral argument of counsel (Pursuant to request of counsel exceptions to the trial examiner's recommended decision and briefs and oral argument of counsel in the matter of Mary Muffet, Inc., Docket 5104, were considered in this matter to the extent applicable, the same as though they had been physically filed or made in this proceeding); and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

*It is ordered*, That the respondent, Wax Bros. & Rosenberg Dress Co., Inc., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of articles of wearing apparel, or other products, composed in whole or in part of rayon, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content.



It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

Issued: December 26, 1950.

By the Commission.

[SEAL] D. C. DANIEL,  
Secretary.

[F. R. Doc. 51-2902; Filed, Mar. 5, 1951;  
8:50 a. m.]

## TITLE 17—COMMODITY AND SECURITIES EXCHANGES

### Chapter II—Securities and Exchange Commission

#### PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934

##### INSTRUCTION BOOKS FOR FORMS FOR COMPANIES MAKING CERTAIN ANNUAL REPORTS

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Exchange Act of 1934, particularly sections 13 and 23 (a) thereof, and deeming such action necessary and appropriate in the public interest and for the protection of investors, and necessary for the execution of the functions vested in it by the said act, hereby amends paragraph 3 under the caption "Instructions as to Exhibits" in the Instruction Books for Forms 12-K (17 CFR 249.312) and 12A-K (17 CFR 249.312a) to read as follows:

3. Notwithstanding the provisions of paragraph 1, above, any registrant filing a copy of Form A may, if it so desires, leave blank any or all pages, schedules or items of the form except the following:

Schedules 101; 102; 103; 104A; 104B; 108; 109; 110; 200A; 200L; lines 40, 49, 57, 58, 59 and 60 of 211; 211A; 211B; 211C; 211D; 211E; 211F; 212; 213; 213A; 213B; 215; 217; 218; 222; 223; 224; 251; 251A; 252; 261E; 261I; 261M; 261P; 263; line 42 of 275; 281A; 287; 291; 292; 293; 295; 300; 305; 308; 310; lines 67, 68, 69, 100; 101, 102, 115, 167, 177, 192, 193, and 194 of 320; line 216 of 320A; 320B; 320C; 320D; 320E; 320F; 321; 350; 371; 371A; 376; 377; 383; 383A; 384; 396; 412; 422; classes 900, 910, 920, 930, 940, 950, 960, 970, and 980 of 541; divisions 1, 2, 801, 802, 803, 804, 805, 806, 808, 809, 902, 903, 904, 905, 906, 907, 908, 909, 910 and 950, of 561; 561C; 562; 563; 581; 591; and verification. In addition, a copy of its annual report to stockholders for the comparable period shall be filed as an exhibit to each copy of Form A. If annual reports to stockholders are not published, that fact should be stated.

All applicable instructions of the Interstate Commerce Commission shall be followed in filling out the various schedules subject to the provisions of paragraph 4 below.

Since the foregoing amendment merely continues a privilege heretofore granted to issuers reporting on Forms 12-K and 12A-K and such issuers are already familiar with the substance of such amendments and are not materially or adversely affected thereby, the Commission finds that the giving of notice and the institution of public rule-making procedure pursuant to section 4 of the Administrative Procedure Act are unnecessary.

Since the adoption of the amendment is for the benefit of such issuers, and as they may desire to avail themselves of the privilege granted thereby, the amendment shall become effective February 27, 1950.

(Sec. 23, 48 Stat. 901, as amended; 15 U. S. C. 78w. Interprets or applies sec. 15, 48 Stat. 895, as amended; 15 U. S. C. 78o)

By the Commission.

[SEAL] ORVAL L. DuBois,  
Secretary.

FEBRUARY 26, 1950.

[F. R. Doc. 51-2885; Filed, Mar. 5, 1951;  
8:45 a. m.]

## TITLE 20—EMPLOYEES' BENEFITS

### Chapter I—Bureau of Employees' Compensation, Department of Labor

#### Subchapter B—United States Employees' Compensation Act

##### PART 25—COMPENSATION FOR DISABILITY AND DEATH OF NON-CITIZENS OUTSIDE THE UNITED STATES

#### SUBPART C—EXTENSION OF SPECIAL SCHEDULE OF COMPENSATION

##### TERRITORY OF PACIFIC ISLANDS

Subpart C, Part 25, Subchapter B of this chapter is hereby amended by adding thereto a new section as follows:

§ 25.24 *Territory of the Pacific Islands.* (a) The special schedule of compensation established by Subpart B shall apply, with the modifications or additions specified in paragraph (b) of this section, as of July 18, 1947, in the Territory of the Pacific Islands which comprises all of the Mariana Islands except Guam, all of the Caroline Islands including the Island of Palau, and all of the Marshall Islands, and shall be applied retrospectively in cases of injury (or death from injury) occurring on and after such date. Compensation in all cases pending as of February 1, 1951, shall be adjusted accordingly, with credit taken in the amount of compensation

paid prior to such date. Refund of compensation shall not be required if the amount of compensation paid in any case, otherwise than through fraud, misrepresentation, or mistake, and prior to February 1, 1951, exceeds the amount provided for under this section; and such case shall be deemed compromised and paid under section 42 of such act of September 7, 1916, as amended.

(b) The total aggregate compensation payable in any case under paragraph (a) of this section, for injury or death or both, shall not exceed the sum of \$4,000, exclusive of medical costs. The maximum monthly rate of compensation in any such case shall not exceed the sum of \$50.

(Sec. 32, 39 Stat. 749; 5 U. S. C. 783. Interprets or applies sec. 42, 39 Stat. 750, as amended; 5 U. S. C. 793)

Signed at Washington, D. C., this 27th day of February 1951.

MAURICE J. TOBIN,  
Secretary of Labor.

[F. R. Doc. 51-2882; Filed, Mar. 5, 1951;  
8:45 a. m.]

## TITLE 24—HOUSING AND HOUSING CREDIT

### Chapter VIII—Office of Housing Expediter

[Controlled Housing Rent Reg., Amdt. 354]

[Controlled Rooms in Rooming Houses and Other Establishments Rent Reg., Amdt. 349]

#### PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

##### NEW JERSEY

Amendment 354 to the Controlled Housing Rent Regulation (§§ 825.1 to 825.12) and Amendment 349 to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92). Said regulations are amended in the following respects:

1. Schedule A, Item 188a, is amended to read as follows:

Name of defense-rental area	State	County or counties under rent regulation	Maximum rent date	Effective date of regulation	Date by which registration statement to be filed
(188a) Southern New Jersey.	New Jersey---	Camden County, except the borough of Haddonfield; Gloucester County; and Burlington County, except the townships of Bass River, Tabernacle, Shamong, Woodland and Washington, and the Borough of Medford Lakes in Medford Township. In Cape May County, the borough of Woodbine; and in Cumberland County, the city of Millville.	Mar. 1, 1942 -----do-----	July 1, 1942 Dec. 1, 1942	Aug. 15, 1942 Jan. 15, 1943

This recontrols the Borough of Woodbine in Cape May County and the City of Millville in Cumberland County, portions of the Southern New Jersey Defense-Rental Area. Cape May County in which the Borough of Woodbine is located, was heretofore decontrolled as of May 1, 1947, and Cumberland County which includes the City of Millville was

heretofore decontrolled as of December 8, 1949.

2. A new item is hereby incorporated in Schedule B to read as follows:

80. Provisions relating to the Borough of Woodbine in Cape May County and to the City of Millville in Cumberland County, New Jersey, portions of the Southern New Jersey Defense-Rental Area.



*Recontrol of the Borough of Woodbine in Cape May County and the City of Millville in Cumberland County, New Jersey, portions of the Southern New Jersey Defense-Rental Area.* Effective March 1, 1951, the provisions of §§ 825.1 to 825.12 and 825.81 to 825.92 shall apply to housing accommodations in the Borough of Woodbine in Cape May County and in the City of Millville in Cumberland County, New Jersey, portions of the Southern New Jersey Defense-Rental Area (said localities having been heretofore decontrolled as of May 1, 1947, and December 8, 1949, respectively), except as modified by the following provisions:

a. As to housing accommodations in the Borough of Woodbine in Cape May County, New Jersey, all orders in effect on May 1, 1947, in accordance with §§ 825.1 to 825.12 or 825.81 to 825.92, shall be in full force and effect.

b. As to housing accommodations in the City of Millville in Cumberland County, New Jersey, all orders in effect on December 8, 1949, in accordance with §§ 825.1 to 825.12 or 825.81 to 825.92, shall be in full force and effect.

c. If, on March 1, 1951, there was a ground for adjustment under § 825.5 (a) or 825.85 (a) for which no order had previously been issued, and a petition for adjustment is filed on or before April 1, 1951, the adjustment shall be effective as of March 1, 1951.

d. If, on March 1, 1951, the services provided with any housing accommodations are less than the minimum required by § 825.3 or 825.83, the landlord shall either restore and maintain such minimum services or file a petition on or before April 1, 1951, requesting approval of the decreased services. If, on March 1, 1951, the furniture, furnishings or equipment provided with any housing accommodations are less than the minimum required by § 825.3 or 825.83, the landlord shall file, on or before April 1, 1951, a written report showing the decrease in furniture, furnishings or equipment. Except as modified by this paragraph, the provisions of §§ 825.5 (b) and 825.85 (b) shall be applicable to all such cases.

e. In the case of any action which, on March 1, 1951, was required or authorized by §§ 825.1 to 825.12 or 825.81 to 825.92 to be taken within a specified period of time, the same time period shall be applicable but such time period shall be counted from March 1, 1951.

f. The provisions of §§ 825.6 and 825.86 shall not apply to any case in which judgment was entered prior to March 1, 1951 by a court of competent jurisdiction for the eviction or removal of a tenant from housing accommodations.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

This amendment shall become effective March 1, 1951.

Issued this 1st day of March 1951.

TIGHE E. WOODS,  
Housing Expediter.

[F. R. Doc. 51-2945; Filed, Mar. 5, 1951;  
8:58 a. m.]

[Controlled Housing Rent Reg., Amdt. 355]  
[Controlled Rooms in Rooming Houses and  
Other Establishments Rent Reg., Amdt.  
350]

PART 825—RENT REGULATIONS UNDER THE  
HOUSING AND RENT ACT OF 1947, AS  
AMENDED

INDIANA, MICHIGAN AND OHIO

Amendment 355 to the Controlled  
Housing Rent Regulation (§§ 825.1 to

825.12) and Amendment 350 to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92). Said regulations are amended in the following respects:

1. Schedule A, Item 102, is amended to describe the counties in the Defense-Rental Area as follows:

Lake County, except the City of Hammond, and the Townships of Cedar Creek, Eagle Creek, Hanover, West Creek and Winfield.

This decontrols the City of Hammond in Lake County, Indiana, a portion of the Gary-Hammond, Indiana, Defense-Rental Area.

2. Schedule A, Item 149, is amended to describe the counties in the Defense-Rental Area as follows:

Oakland County, except (i) the Townships of Addison, Brandon, Groveland, Highland, Holly, Independence, Milford, Oakland, Orion, Oxford, Rose and Springfield, (ii) the Villages of Clarkston, Holly, Lake Orion, Leonard, Milford, Ortonville, Oxford, Rochester and that portion of Northville located in Oakland County, and (iii) the Cities of Birmingham, Bloomfield Hills, Pontiac, Royal Oak, and South Lyon; Wayne County, except (i) the Cities of Grosse Pointe and Plymouth, (ii) the Village of Wayne, and (iii) that portion of the Village of Northville located in Wayne County; and Macomb County, except the City of Mount Clemens, and the Townships of Armada, Bruce, Lenox, Macomb, Ray, Richmond, Shelby, Sterling and Washington.

In Washtenaw County, the Township of Ann Arbor and the City of Ann Arbor.

This decontrols the Village of Rochester in Oakland County, Michigan, a portion of the Detroit, Michigan, Defense-Rental Area.

3. Schedule A, Item 233, is amended to describe the counties in the Defense-Rental Area as follows:

Lorain County, except the Townships of Brighton, Huntington, Penfield, Rochester and Wellington, and the Villages of Oberlin, Wellington and Rochester.

This decontrols the Village of Oberlin in Lorain County, Ohio, a portion of the Lorain-Elyria, Ohio, Defense-Rental Area.

All decontrols effected by this amendment are based on resolutions submitted in accordance with section 204 (j) (3) of the Housing and Rent Act of 1947, as amended.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

This amendment shall become effective March 2, 1951.

Issued this 1st day of March 1951.

TIGHE E. WOODS,  
Housing Expediter.

[F. R. Doc. 51-2946; Filed, Mar. 5, 1951;  
8:58 a. m.]

## TITLE 32A—NATIONAL DEFENSE, APPENDIX

### Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 8]

#### CPR 8—AMERICAN UPLAND COTTON

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.),

Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 8 is hereby issued.

#### STATEMENT OF CONSIDERATIONS

*Why this regulation is necessary.* The farm price of raw cotton has, since the Korean outbreak, risen from 29.91 cents per pound in June 1950 to 41.31 cents in January 1951, a rise of almost 40 percent. Conferences with various groups found virtually unanimous opinion that, until the size of the new crop is established, the price could rise substantially above present levels if cotton were uncontrolled. Such a rise in the price of raw cotton would put strong upward pressure on the ceiling prices of cotton textiles and hence on cotton clothing and on such basic items as sheets and towels—a basic part of the cost of living. To permit this would mean, not stabilization, but inflation.

Raw cotton is currently in very tight supply. The 1950-51 crop was just under 10 million bales, about 6 million less than in the previous year. Even though the carryover was substantial, amounting to 6.8 million bales, the total indicated supply of about 16.8 million bales for the current crop year is insufficient to meet both domestic and foreign demands. Consequently, it has been necessary for the Department of Agriculture to impose export quotas, which thus far limits total exports to an estimated 4 million bales in the current crop year. This was done to insure that estimated domestic requirements of about 10.5 million bales will be met in full, and that there will be a minimum carryover of at least 2.3 million bales, the lowest in twenty-five years.

The type of control established under the General Ceiling Price Regulation is not suited to cotton. Raw cotton is a commodity sold on the basis of grade and staple length. Under the general freeze, raw cotton was exempted when sold by producers, since a freeze order at the farm level would be meaningless, but it was controlled when sold by merchants and other dealers in cotton. The general order established individual sellers' ceilings determined by their deliveries in the base period. Thus, for the same grade and staple, sellers in the same market could have different ceiling prices. This would permit the seller with the higher ceiling price to bid away the available supply in the hands of producers from the seller with the lower ceiling price and would thus disrupt normal channels of marketing and distribution. This ceiling regulation for cotton is being issued to permit normal trading patterns to be re-established.

*The structure of ceiling prices.* This regulation establishes ceiling prices for American upland cotton in mixed or odd lots, by grade and staple and by location for every seller including producers. The geographic structure of these ceilings is identical with that used by the Commodity Credit Corporation for its cotton loan program. These ceilings also govern future transactions on the commodity exchanges.

Thus the ceiling price for White and Extra White Middling <sup>15</sup>/<sub>16</sub> inch in Area



1 (comprising parts of the Carolinas) is 45.76 cents per pound. This price was derived from the highest average price of 45.14 cents reported in the ten spot markets during the base period December 19, 1950-January 25, 1951, plus the average freight differential of 0.62 cent (\$0.0062) per pound between the ten spot markets and Area 1. For any other grade and staple of cotton sold in Area 1, appropriate premiums and discounts are specified. These premiums and discounts are market quotations for January 25, 1951, and are arrived at in the same way as the Commodity Credit Corporation's loan differentials.

In any other area, the ceiling prices for the same grade and staple will be less than in Area 1 generally by the cost of the freight to Area 1. Area 1, besides being a region where cotton is grown, has the most important concentration of cotton textile mills in the country. Cotton is shipped into Area 1 from all parts of the Cotton Belt. Hence, for cotton to be shipped on a competitive basis into Area 1, its price at point of origin must in general be less than the price in Area 1 by the amount of transportation costs.

In addition, the regulation fixes ceiling prices for cotton landed at the mills in even running lots. After cotton is purchased in mixed lots by shippers, it must be sorted into lots containing bales of uniform grade and staple, compressed, and shipped. The regulation provides shippers' margins to be added to the ceiling prices for cotton in Area 1 for shipment to mills in the area generally known as Group B mills, which differs somewhat from Area 1. These margins were obtained from the reported spreads on January 25, 1951, between the price of cotton in mixed lots in warehouse uncompressed at Memphis and the price of the same cotton landed at Group B mill points. Since these spreads include freight cost, they were reduced by the average freight differential between the ten spot markets and Area 1 since freight is already allowed in Area 1 ceilings. This method of calculation yielded a somewhat higher shippers' margin than if the freight from Memphis to Group B mill points were deducted. Memphis prices were chosen because the range of price data available there was greater than for any other reporting market. The data for Group B landed prices are available only for the most important grades and in the staples,  $1\frac{3}{16}$  through  $1\frac{1}{4}$  inch. For the other grades and staples, the shippers' margins were calculated by raising the shippers' margins published by the Office of Price Administration on January 14, 1946, to preserve approximately the same relationships between the spreads for which current data are available and for those for which data are unavailable as existed in the table of shippers' margins published in 1946. If it should develop that these margins calculated in this way are not fully representative of present conditions, the Director of Price Stabilization stands ready to make appropriate changes.

If a mill is located in any area other than the Group B mill area, the landed price for cotton is the Group B mill landed price adjusted for the freight dif-

ferential in shipping the cotton. The regulation specifies the appropriate differential or the method of calculating this differential.

Export ceiling prices are also established in this regulation. The export ceiling prices are determined by taking the appropriate ceiling price for cotton when sold in mixed or odd lots, adding the shippers' margin and the actual cost of transportation to the shippers' point of delivery plus an allowance for the cost of high density compression when not already included in the freight cost.

*The agricultural provisions of the act.* Under the Defense Production Act of 1950, no ceiling for any agricultural commodity can be established at less than parity or the highest price prevailing in the period, May 24, 1950-June 24, 1950. The current parity price for raw cotton is 33.11 cents per pound and the highest farm price prevailing in the designated period was 32.37 cents per pound.

On January 15, 1951, the farm price was 41.31 cents per pound and 125 percent of parity. Since ceiling prices in this regulation are based on the highest market prices prevailing in the period, December 19, 1950-January 25, 1951, it is clear that the ceiling prices will reflect to farmers a level of prices well above the "legal minima."

*The goal of maximum production.* It is in the national interest to encourage the largest possible cotton crop this year. To this end, the Department of Agriculture has relaxed all limitations on the planting of cotton and has urged cotton farmers to plant sufficient acreage to produce a minimum of 16 million bales for the 1951 crop. The Director of Price Stabilization has been very conscious of the need to fix a ceiling price for raw cotton high enough to provide ample inducement to the farmer to achieve this goal. Discussions with people concerned with cotton indicate that the price of cotton prevailing in the base period, December 19, 1950-January 25, 1951, is high enough to provide such inducement. These prices set a record high in terms of cents per pound; and in terms of par-

ity, there were only five months out of the previous twenty-five years in which the farm price reached 125 percent of parity or higher. During that period, there were four years in which the crop was 16 million bales or higher.

In formulating this regulation the Director of Price Stabilization has consulted with representatives of industry to the extent practicable under the circumstances, and has given consideration to their recommendations.

In the judgment of the Director of Price Stabilization the ceiling prices established by this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

#### REGULATORY PROVISIONS

##### Sec.

1. What this regulation does.
2. Ceilings for mixed lots and odd lots.
3. Ceilings for even running lots landed at the mill.
4. Ceilings for exports.
5. Prohibitions.
6. Records.
7. Evasion.
8. Enforcement.
9. Petitions for amendment.

**AUTHORITY:** Sections 1 to 9 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong.; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.

**SECTION 1. What this regulation does.** This regulation fixes dollars-and-cents ceiling prices for raw American upland cotton, based on a price of 45.76 cents per pound, gross weight, for White and Extra White, Middling  $1\frac{5}{16}$  inch located in Area 1.

**SEC. 2. Ceilings for mixed lots and odd lots.** If you are selling mixed lots or odd lots of cotton located in Area 1, your ceiling price is 45.76 cents per pound, gross weight, the price for White and Extra White, Middling  $1\frac{5}{16}$  inch, plus the premium or minus the discount which is set forth in Table I for the particular grade and staple you want to price. If your cotton is not located in Area I, but in some other area, simply subtract the location differential in Table II.

TABLE I—PREMIUMS AND DISCOUNTS FOR ALL QUALITIES OF AMERICAN UPLAND COTTON 1  
[Basis  $1\frac{5}{16}$  inch middling, white, and extra white]

Grade	Staple length (inches)													
	$1\frac{3}{16}$	$\frac{3}{8}$	$\frac{7}{16}$	$\frac{1}{2}$	$\frac{5}{8}$	1	$1\frac{1}{8}$	$1\frac{1}{4}$	$1\frac{3}{8}$	$1\frac{1}{2}$	$1\frac{5}{8}$	$1\frac{3}{4}$	$1\frac{7}{8}$	$1\frac{1}{4}$
<b>White and Extra White</b>														
Middling Fair.....	-103	-52	-3	79	108	158	192	215	360	530	815	1,025	1,300	1,500
Strict Good Middling.....	-103	-52	-3	79	108	158	192	215	360	530	815	1,025	1,300	1,500
Good Middling.....	-103	-52	-3	79	108	158	192	215	360	530	815	1,025	1,300	1,500
Strict Middling.....	-105	-59	-13	69	98	148	182	205	350	520	790	1,000	1,275	1,475
Middling.....	-175	-116	-71	None	26	67	100	123	200	360	590	835	1,135	1,275
Strict Low Middling.....	-350	-303	-256	-209	-187	-155	-137	-121	-60	10	120	325	470	595
Low Middling.....	-445	-388	-348	-297	-286	-268	-255	-250	-210	-209	-185	-170	-160	-150
Strict Good Ordinary.....	-575	-506	-466	-408	-403	-393	-385	-385	-375	-375	-375	-375	-375	-375
Good Ordinary.....	-683	-603	-558	-506	-500	-491	-483	-483	-450	-450	-450	-450	-450	-450
<b>Spotted</b>														
Good Middling.....	-338	-288	-233	-177	-156	-133	-112	-105	-55	-30	-5	15	85	145
Strict Middling.....	-358	-310	-256	-200	-180	-153	-133	-125	-80	-60	-30	5	55	105
Middling.....	-510	-448	-390	-340	-324	-306	-299	-296	-250	-225	-200	-175	-150	-125
Strict Low Middling.....	-608	-535	-480	-430	-417	-401	-400	-399	-375	-375	-375	-375	-375	-375
Low Middling.....	-777	-675	-623	-573	-562	-551	-550	-549	-500	-500	-500	-500	-500	-500
<b>Tinged</b>														
Good Middling.....	-530	-454	-404	-354	-352	-341	-341	-341	-260	-250	-235	-225	-210	-200
Strict Middling.....	-550	-476	-426	-376	-374	-362	-362	-362	-285	-275	-260	-245	-235	-225
Middling.....	-667	-583	-533	-483	-481	-473	-473	-473	-400	-400	-400	-400	-400	-400
Strict Low Middling.....	-817	-705	-655	-605	-604	-595	-595	-595	-500	-500	-500	-500	-500	-500
Low Middling.....	-917	-805	-755	-705	-704	-695	-695	-695	-600	-600	-600	-600	-600	-600

See footnote at end of table.



**TABLE I—PREMIUMS AND DISCOUNTS FOR ALL QUALITIES OF AMERICAN UPLAND COTTON 1—Continued**  
(Basis 1½ inch middling, white, and extra white)

Grade	Staple length (inches)									
	1¾	2½	1½	1½	1½	1½	1½	1½	1½	1½
<b>Yellow Stained</b>										
Good Middling	-767	-663	-553	-553	-553	-553	-553	-553	-553	-553
Strict Middling	-817	-705	-605	-605	-605	-605	-605	-605	-605	-605
Middling	-942	-833	-733	-733	-733	-733	-733	-733	-733	-733
<b>Gray</b>										
Good Middling	-358	-268	-212	-154	-130	-124	-90	15	185	235
Strict Middling	-458	-335	-278	-220	-188	-188	-105	85	160	210
Middling	-575	-437	-385	-328	-306	-306	-205	-115	20	40
Strict Low Middling	-625	-500	-500	-450	-450	-450	-435	-400	-400	-400

(a) Premium and discounts are in points (hundredths of a cent) per pound for qualities equal to the Official Cotton Standards of the United States.  
(b) For qualities of a staple length greater than 1½", increase the premium or lessen the discount shown for the 1½" staple, for each ½" above 1½", by the difference between the amounts shown in the table for the 1½" and 1½" staples for the particular grade.  
(c) For qualities of a staple length less than 1½", increase the discount shown for the 1½" staple, for each ½" below 1½", by the difference between the amounts shown in the table for the 1½" and the ½" staples for the particular grade.  
(d) In each color group, the discount for any grade lower than the lowest grade shown in the table shall be the same as that applicable to the lowest grade in that color group, for the staple involved.  
(e) Discounts are indicated by minus (-) signs; all other figures are premiums.

**TABLE II—LOCATION DIFFERENTIAL**

**Area 1: No Location Differential**

North Carolina: All counties west of Greenville, Wake, Harnett, Hoke and Scotland.  
South Carolina: All counties west of Marlboro, Carlington, Lee, Sumter, Calhoun, Orangeburg, and Barnwell.

**Area 2: Subtract 7 Points**

North Carolina: All counties east of Perdue, Durham, Chatham, Lee, Moore, and Richmond.  
South Carolina: All counties east of Chesterfield, Kershaw, Richland, Lexington, and Aiken.

**Area 3: Subtract 10 Points**

Georgia: All counties east of Union, Lumpkin, Dawson, Forsythe, Gwinnett, Walton, Morgan, Putnam, Hancock, Glascock, Jefferson, and Burke.

**Area 4: Subtract 20 Points**

Georgia: All counties, except Dade and counties in zone with 10 points less than mill area, north of Stewart, Webster, Sumter, Dooley, Wilcox, Telfair, Wheeler, Montgomery, Toombs, Tattnall, Evans, and Bryan.

**Area 5: Subtract 30 Points**

Georgia: County of Dade and all counties south of Chattahoochee, Macon, Houston, Pulaski, Dodge, Laurens, Treuten, Marion, Schley, Emanuel, Candler, Bulloch, Effingham, and Chatham and north of Quitman, Randolph, Calhoun, Baker, Mitchell, Col-

quitt, Cook, Berrien, Atkinson, Ware, Pierce, Brentley, and Glynn.

Tennessee: All counties east of Marion, Sequatchie, Bledsoe, Cumberland, Morgan, and Scott.

Alabama: All counties east of De Kalb, Marshall, Blount, St. Clair, Shelby, Coosa, Elmore, Macon, Bullock, and Barbour.

**Area 6: Subtract 40 Points**

Georgia: All counties south of Stewart, Webster, Terrell, Dougherty, Worth, Tift, Irwin, Coffee, Bacon, Appling, Wayne, and McIntosh.

Florida: All counties east of Jackson, Liberty, and Franklin.

Tennessee: Counties of Marion, Sequatchie, Grundy, Bledsoe, and Cumberland.

Alabama: Counties of De Kalb, Marshall, Blount, St. Clair, Shelby, Coosa, Elmore, Macon, Bullock, and Barbour.

**Area 7: Subtract 50 Points**

Tennessee: Counties of Franklin, Coffee, Warren, Van Buren, White, Putnam, and Overton.

Alabama: Counties of Madison, Jackson, Morgan, Cullman, Jefferson, Bibb, Chilton, Augusta, Montgomery, Pike, Coffee, Dale, Henry, Geneva, and Houston.

Florida: Counties of Bay, Calhoun, Gulf, Holmes, Jackson, Washington, Liberty, and Franklin.

**Area 8: Subtract 60 Points**

Tennessee: Counties of Lincoln, Giles, Moore, Bedford, Marshall, Rutherford, Cannon, De Kalb, and Wilcox.  
Alabama: Counties of Limestone, Lawrence, Winston, Walker, Fayette, Tuscaloosa,

Hale, Perry, Dallas, Lowndes, Butler, Crenshaw, and Covington.  
Florida: County of Walton.

**Area 9: Subtract 70 Points**

Tennessee: Counties of Lawrence, Wayne, Lewis, Perry, Hickman, Humphreys, Dickson, Davidson, Williamson, and Maury.  
Alabama: Counties of Lauderdale, Colbert, Franklin, Marion, Lamar, Pickens, Green, Sumter, Marengo, Choctaw, Wilcox, Monroe, Clarke, Washington, Escambia, and Conecuh.  
Florida: County of Okaloosa.

**Area 10: Subtract 80 Points**

Alabama: Counties of Mobile and Baldwin.  
Florida: Counties of Escambia and Santa Rosa.

Other Areas: At any point in any other area, the amount to be subtracted is the transportation charge at the lowest published differential shown in table IV.

**TABLE III—DIFFERENTIALS FOR DETERMINING CEILING PRICES FOR COTTON LANDED IN THE GROUP B MILL AREA<sup>1</sup>**

Grade	Staple length (inches)									
	1¾ and short-er	¾	2½	1½	1½	1½	1½	1½	1½	1½ and long-er
<b>White and extra white</b>										
Good Middling	138	138	138	138	138	138	138	138	138	238
Strict Middling	138	138	138	138	138	138	138	138	138	238
Middling	138	138	138	138	138	138	138	138	138	238
Strict Low Middling	138	138	138	138	138	138	138	138	138	238
Low Middling	138	138	138	138	138	138	138	138	138	238
Strict Good Ordinary	138	138	138	138	138	138	138	138	138	238
Good Ordinary	138	138	138	138	138	138	138	138	138	238
<b>Spotted</b>										
Good Middling	138	138	138	138	138	138	138	138	138	238
Strict Middling	138	138	138	138	138	138	138	138	138	238
Middling	138	138	138	138	138	138	138	138	138	238
Strict Low Middling	138	138	138	138	138	138	138	138	138	238
Low Middling	138	138	138	138	138	138	138	138	138	238
<b>Tinged</b>										
Good Middling	138	138	138	138	138	138	138	138	138	238
Strict Middling	138	138	138	138	138	138	138	138	138	238
Middling	138	138	138	138	138	138	138	138	138	238
Strict Low Middling	138	138	138	138	138	138	138	138	138	238
Low Middling	138	138	138	138	138	138	138	138	138	238
<b>Yellow Stained</b>										
Good Middling	138	138	138	138	138	138	138	138	138	238
Strict Middling	138	138	138	138	138	138	138	138	138	238
Middling	138	138	138	138	138	138	138	138	138	238
Strict Low Middling	138	138	138	138	138	138	138	138	138	238
<b>Gray</b>										
Good Middling	138	138	138	138	138	138	138	138	138	238
Strict Middling	138	138	138	138	138	138	138	138	138	238
Middling	138	138	138	138	138	138	138	138	138	238
Strict Low Middling	138	138	138	138	138	138	138	138	138	238

<sup>1</sup>(a) Differentials are in points (hundredths of a cent) per pound for qualities equal to the Official Cotton Standards of the United States.  
(b) In each color group, the differential for any grade lower than the lowest grade shown in the table shall be the same as that applicable to the lowest grade in that color group for the staple length involved.  
(c) In each color group, the differential for any grade higher than the highest grade shown in the table shall be the same as that applicable to the highest grade in that color group for the staple length involved.

lished domestic carload rail rate (plus the transportation tax) from that point to the Group B mill area.

**Sec. 3. Ceilings for even running lots landed at the mill.** If you are selling cotton in even running lots landed at a mill located in the Group B mill area, your ceiling is the Area 1 ceiling for the particular grade and staple you want to price, plus the applicable differential shown in table III. Your ceiling for cotton in even running lots landed at a mill in other mill areas, is the Area 1 ceiling for the particular grade and staple you want to price, plus the applicable differential shown in table III, plus or minus the applicable differential shown in table IV.



TABLE IV—DIFFERENTIALS FOR DETERMINING CEILING PRICE FOR COTTON LANDED IN A MILL AREA OTHER THAN GROUP B

1. In the New England mill area, add 30 points. The New England mill area consists of the states of Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.
2. In the Group A mill area, add 5 points. Group A mill area is that area designated as Group 200 in railroad tariffs on file with the Interstate Commerce Commission.
3. In the Alabama, Georgia and East Tennessee mill area, subtract 10 points.
4. In other mill areas: To the mixed lot price at point of origin, as determined from Tables I and II in section 2 add the appropriate differential in section 3, Table III, and the seller's actual transportation cost.
5. There is no differential for Group B. Group B is that area designated as Group 201 in railroad tariffs on file with the Interstate Commerce Commission.

**SEC. 4. Ceilings for exports.** If you export cotton from the continental United States, your ceiling prices for such cotton shall be computed by adding to the mixed lot prices at point of origin, as determined from Tables I and II in section 2, the differentials set forth in section 3, Table III, and the sellers' actual transportation cost (plus the cost of high density compression if not already included in the freight rate).

**SEC. 5. Prohibitions.** On and after March 5, 1951, regardless of the terms of any contract of sale or purchase or other commitment or obligation, you shall not sell or deliver or offer to sell or deliver American upland cotton and you shall not buy or accept delivery of any American upland cotton at a price exceeding the ceiling prices permitted by this regulation, and you shall not enter into any contract to buy, sell, or deliver American upland cotton in the future at a price exceeding the ceiling prices permitted by this regulation. Lower prices than those set forth in this regulation may, of course, be charged, demanded, paid or offered.

**SEC. 6. Records.** You must preserve and keep available for examination by the Director of Price Stabilization for a period of two years, a complete and accurate record of every purchase, sale or exchange of cotton covered by this regulation, including the names of the persons involved, the date of the purchase or sale or exchange, the price, the quality, and the grade and staple of the cotton so purchased, sold or exchanged. Any person who grows no more than ten bales of cotton per crop is exempt with respect to such cotton from this record-keeping requirement.

**SEC. 7. Evasion.** You shall not evade or circumvent the provisions of this regulation by direct or indirect methods in connection with the sale, purchase, delivery, or transfer of cotton, alone or in conjunction with any other commodity or material, or by way of any commission, service, transportation charge, or discount, premium, or other privilege, or by up-grading, tying-agreement, trade understanding or otherwise.

**SEC. 8. Enforcement.** If you violate any provision of this regulation you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950.

**SEC. 9. Petitions for amendment.** If you wish to have this regulation amended, you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1 (15 F. R. 9055).

**Effective date.** This regulation is effective immediately.

**NOTE:** The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DiSALLE,  
Director of Price Stabilization.

MARCH 3, 1951.

[F. R. Doc. 51-3029; Filed, Mar. 5, 1951;  
11:52 a. m.]

[General Ceiling Price Regulation,  
Supplementary Regulation 9]

**GCPR, SR 9—EXEMPTION OF SALES AND DELIVERIES OF EXPORTED COMMODITIES UNDER EXISTING CONTRACTS**

Pursuant to the authority vested in the Director of Price Stabilization by the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.) Executive Order 10161 (15 F. R. 6105), and Economic Stabilization General Order No. 2 (16 F. R. 738), this Supplementary Regulation No. 9 to the General Ceiling Price Regulation is hereby issued.

**STATEMENT OF CONSIDERATIONS**

There are a number of considerations which indicate why the contracts for export sales of merchant exporters should be permitted to be fulfilled at the contract price.

There is an extra time lag between contract date and delivery in the case of exports, which does not obtain for purely domestic transactions, due to special packaging, shipping arrangements, and license clearances. In many cases exporters find that the ceiling prices of their suppliers are higher than their own ceilings. Exporters customarily operate at a smaller margin over invoice costs than is true of domestic distributors and wholesalers. Merchant exporters have in some instances been required to make part payments for export sales, particularly involving special purpose equipment for use abroad and not readily saleable here. If exporters declined to ship on contracts because of the lower price required by the ceiling regulation, the purchasers abroad unfamiliar with the price impact of the regulations might believe there was an effort to avoid any supply of the article, all to the detriment of the Nation's foreign trade and reputation for honoring international contracts, and perhaps to foreign

relations in a larger sense. Delay in delivery on existing contracts for export sales pending issuance of tailored regulations, may jeopardize the transactions due to the difficulties of renewing letters of credit and governmental licenses. Cancellation of export contracts would have an unfortunate impact, contrary to the overall national interests.

On the other hand, maintenance of existing export contracts for export sales has no inflationary impact within the United States, and furthermore the policy of the Office of Price Stabilization that exports generally are governed by price ceilings is maintained in this case. The Regulations make it clear that the merchant exporters are required to observe domestic ceilings on their purchases.

**REGULATORY PROVISIONS**

**Sec.**

1. Applicability of supplementary regulation.
2. Definitions.
3. Execution of contract.
4. Preservation of records.
5. GCPR governs all other transactions.

**AUTHORITY:** Sections 1 to 5 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong.; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.

**SECTION 1. Applicability of supplementary regulation.** This supplementary regulation grants authority, as provided in section 3, to merchant exporters to fulfill written contracts for export sales made prior to January 26 when the General Ceiling Price Regulation was issued and authority to merchant exporters to fulfill contracts for export sales made between January 26 and February 2 which were based on firm written offers made by merchant exporters prior to January 26. This authority is not granted to a producer exporter.

**SEC. 2. Definitions.** When used in this regulation, the term:

(a) "Merchant exporter" means any person, firm, corporation or other legal entity which purchases a commodity or commodities from a supplier, takes title to same and resells to a foreign buyer.

(b) "Producer exporter" means a manufacturer or prime producer of the commodity to be exported, or a wholly owned subsidiary corporation of the manufacturer or prime producer, which sells or delivers to a foreign buyer.

(c) "Export sale" is a sale to a person located outside the continental United States, its territories or possessions, by a seller who invoices it and who directly or through the seller's or the buyer's agent effects delivery to a carrier for transportation from the continental United States, its territories or possessions, to a point outside thereof, regardless of whether the invoicing is done within or outside the continental United States, its territories or possessions, by the seller or his agent.

All definitions used in the General Ceiling Price Regulation issued by the Director on January 26, 1951, which are pertinent to this supplementary regula-



tion, are incorporated in this supplementary regulation by this reference, except those which are more particularly defined and used herein.

**SEC. 3. Execution of contract.** If a written contract for an export sale (including exchange of written or cabled offers and acceptance) was entered into by a merchant exporter having an office or place of business in the United States, on or before January 26, 1951—or on or before February 2, 1951, but pursuant to a firm written offer for an export sale made by the merchant exporter on or before January 26, 1951—and such contract provides for delivery to a foreign buyer, such delivery may be made pursuant thereto at the contract price, provided the price paid by the merchant exporter acquiring the commodity does not exceed the applicable ceiling price of the supplier.

**SEC. 4. Preservation of records.** All merchant exporters making shipments in accordance with section 3 of this order, will preserve for examination by the Office of Price Stabilization all documents and records which will substantiate that each such transaction complied fully with the requirements as set forth in section 3 of this order.

**SEC. 5. GCPR governs all other transactions.** Deliveries by a producer exporter are not within the scope of this supplementary regulation. Deliveries pursuant to this supplementary regulation shall not establish a ceiling price for any commodity or any merchant exporter or relieve any merchant exporter from compliance with the General Ceiling Price Regulation except as specifically set out herein.

**Effective date.** This Supplementary Regulation No. 9 to the General Ceiling Price Regulation is effective March 5, 1951.

**NOTE:** The record keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,  
Director of Price Stabilization.

MARCH 3, 1951.

[F. R. Doc. 51-3030; Filed, Mar. 5, 1951;  
11:52 a. m.]

[General Ceiling Price Regulation,  
Supplementary Regulation 10]

GCPR, SR 10—TEXAS CITRUS JUICES;  
EMERGENCY ADJUSTMENT

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Supplementary Regulation 10 to the General Ceiling Price Regulation (16 F. R. 808) is hereby issued.

#### STATEMENT OF CONSIDERATIONS

This Supplementary Regulation 10 to the General Ceiling Price Regulation is issued to provide emergency relief for processors and canners of citrus juice in Texas who processed or canned grapefruit juice, orange juice, and/or grape-

fruit-orange juice blend during the period January 29, 1951, to March 1, 1951, from oranges and grapefruit harvested during this period from the citrus fruit growing areas of Texas affected by the freezing weather conditions of January 29, 1951, through February 3, 1951.

The Rio Grande Valley of Texas, the citrus producing area of that state, experienced a heavy freeze in late January and early February 1951. The Director of Price Stabilization has been advised that this freeze may well prove to be one of the most disastrous in the history of the American citrus industry. Temperatures in the Rio Grande Valley were below freezing for five consecutive days, and surveys have indicated that none of the citrus fruit in the freeze area could qualify for the fresh market, and that the only outlet for this crop were the processors and canners of citrus juice.

The Texas processors and canners of citrus juice found that in canning juice from fruit affected by the freeze, they were confronted with an extraordinary salvage operation rather than a normal canning procedure. The frozen fruit was soft, had to be packed specially in bags and boxes, and had to be transported to the canneries in containers rather than in loose truckloads. At the canneries a more careful inspection than normal was required, and the percentage of fruit rejected because of spoilage was heavier than usual. As a result of freezing there was considerable dehydration of the fruit which reduced the yield from a normal of twenty-seven cases of No. 2 cans per ton to nineteen cases or less per ton. Because of the emergency nature of the salvaging operations, labor charges were higher than normal as also were warehouse, hauling, and insurance costs.

Section 402 (d) (3) of the Defense Production Act of 1950 provides, in part, that whenever "a ceiling has been established . . . with respect to any agricultural commodity, or any commodity processed or manufactured in whole or in substantial part therefrom, the President from time to time shall adjust such ceiling in order to make appropriate allowances for substantial reduction in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring in connection with the production and marketing of such agricultural commodity." It is clear from the facts above stated that the plight of the Texas processors and canners who canned citrus fruit from the freeze area falls within the purview of this section 402 (d) (3).

A survey of the increased costs sustained by the Texas processors and canners in their salvage canning operation has been conducted and substantiates the representations made by the canners and processors involved. These findings show these canners and processors sustained the following additional costs in cents per dozen cans for the following size cans:

Size:	Increased costs (cents per dozen cans)
307 x 409	23.5
404 x 700	52.0
603 x 700	104.0
202 x 312	8.5
202 x 314	8.5

This supplementary regulation permits the Texas processors and canners who canned citrus juice during the period January 29, 1951, through March 1, 1951, from fruit harvested during this period from the growing areas affected by the freeze of January and February 1951, to add to their ceiling prices, as otherwise determined under the General Ceiling Price Regulation, the increased costs, set forth above, in cents per dozen cans. Wholesale distributors and retailers are likewise permitted to add to their ceiling prices the dollars and cents amount by which their highest base period costs have been increased, by operation of this supplementary regulation.

Before any Texas processor or canner may increase his ceiling prices under this supplementary regulation he must first supply the following information to the Director of Price Stabilization by registered mail:

(1) His existing ceiling price for each type, grade, can, size, and brand name of the citrus juices canned by him.

(2) The number of cases of citrus juices, by type, grade, can size, and brand name, which he processed during the period January 29, 1951, through March 1, 1951, from oranges and grapefruit harvested during that period from the growing areas of Texas affected by the freeze of January and February 1951, and the new ceiling prices he was taking under the supplementary regulation.

Inasmuch as the situation of the Texas processors and canners of citrus juices is an emergency one, this Supplementary Regulation 10 is issued on a temporary basis, with an expiration date of January 31, 1952, and may be superseded by another regulation, or be withdrawn prior to that date.

This action has been taken after full consultation with representative Texas processors and canners of citrus juices and generally has been approved by persons representing substantial segments of the industry affected.

In the judgment of the Director of Price Stabilization the ceiling prices established by this supplementary regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

#### REGULATORY PROVISIONS

- Sec.
1. Emergency adjustments in ceiling prices for canned citrus juices from Texas freeze areas.
  2. Notification provisions.
  3. Applicability, and effective date.

**AUTHORITY:** Sections 1 to 3 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.

**SECTION 1. Emergency adjustments in ceiling prices for canned citrus juices from Texas freeze areas—(a) Emergency adjustments for processors and canners.** If you processed or canned grapefruit juice, orange juice, and/or grapefruit-orange juice blend during the period January 29, 1951, through March 1, 1951, exclusively from oranges and grapefruit which were harvested during such period from the citrus fruit growing areas of Texas affected by the freezing



weather conditions of January 29, 1951, through February 3, 1951, you may add to your ceiling prices for these canned juices as otherwise determined under the General Ceiling Price Regulation, the following emergency increases in cents per dozen for the following size cans:

Size:	Amount of emergency increase (cents per dozen cans)
307 x 409.....	23.5
404 x 700.....	52.0
603 x 700.....	104.0
202 x 312.....	8.5
202 x 314.....	8.5

(b) *Emergency adjustments for distribution.* If you are a wholesaler, jobber or retailer, and your cost for the Texas canned citrus juices listed above is increased by operation of this section, you may increase your ceiling prices for these canned citrus juices, as otherwise determined under the General Ceiling Price Regulation, by the dollars-and-cents difference between the cost of this purchase to you and the highest price paid by you during the base period.

**SEC. 2. Notification provisions.** If you are a processor or canner of the Texas citrus juices listed in section 1 (a) of this order, you may not increase your ceiling prices by operation of this supplementary regulation until you first notify the Director of Price Stabilization, Washington 25, D. C., by registered mail giving the following information:

(a) Your existing ceiling price for each type, grade, can, size, and brand name of the citrus juices canned by you.

(b) The number of cases of citrus juices, by type, grade, can size, and brand name, which you processed during the period January 29, 1951, through March 1, 1951, from oranges and grapefruit which were harvested during such period from the citrus fruit growing areas of Texas affected by the freezing weather conditions of January 29, 1951, through February 3, 1951, and the new ceiling prices you are establishing under section 1 (a) of this order.

**Sec. 3. Applicability, effective date—**

(a) *Applicability.* The provisions of this supplementary regulation are applicable only to sales of canned Texas citrus juice, processed or canned during the period January 29, 1951, through March 1, 1951, from oranges and grapefruit which were harvested during such period from the citrus fruit growing areas of Texas affected by the freezing weather conditions of January 29, 1951, through February 3, 1951.

(b) *Effective date.* This supplementary regulation is effective immediately, and shall remain in effect until January 31, 1952, unless superseded by another regulation, or withdrawn prior to that date.

**NOTE:** The record keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DiSALLE,  
Director of Price Stabilization.

MARCH 4, 1951.

[F. R. Doc. 51-3031; Filed, Mar. 5, 1951;  
11:52 a. m.]

## Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-2 as Amended Mar. 1, 1951]

### M-2—RUBBER

This order, as amended, is found necessary and appropriate to promote the national defense. It is issued pursuant to both the Defense Production Act of 1950 and the Rubber Act of 1948. In the formulation of this order, as amended, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations.

This amendment to NPA Order M-2, as last amended February 1, 1951, amends the order in its entirety to read as follows:

#### EXPLANATORY PROVISIONS

Sec.

1. Purpose and effect.
2. Definitions.

#### RESTRICTIONS ON IMPORTATION AND CONSUMPTION

3. Private importation of natural rubber prohibited.
4. Limit on total new rubber consumption (except natural rubber latex).
5. Limit on dry natural rubber consumption.
6. Limit on natural rubber latex consumption.
7. Rubber to fill DO rated orders.

#### ALLOCATION OF SYNTHETIC RUBBER

8. Limitation on acquisition of synthetic rubber.
9. Allocation procedure.
10. Basis of allocation.

#### RUBBER PRODUCT REQUIREMENTS AND LIMITATIONS

11. Camelback production required.
12. Rubber product simplification and manufacturing specifications.

#### GENERAL PROVISIONS

13. Monthly reports of rubber consumption and stocks.
14. Reports by tire, tube and camelback manufacturers.
15. Reports by latex importers.
16. Other records and reports.
17. Inventory limitation.
18. Adjustments and exceptions.
19. Communications.
20. Violations.

**AUTHORITY:** Sections 1 to 20 issued under sec. 704, Pub. Law 774, 81st Cong., sec. 10, 62 Stat. 105, Pub. Law 575, 81st Cong.; 50 U. S. C., App. Sup. 1929. Interpret or apply sec. 101, Pub. Law 774, 81st Cong., sec. 3, 62 Stat. 102; 50 U. S. C., App. Sup. 1922; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp., E. O. 9942, Apr. 1, 1948, 13 F. R. 1823, 3 CFR, 1948 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

#### EXPLANATORY PROVISIONS

**SECTION 1. Purpose and effect.** The purpose of this order is to conserve the supply of rubber for the needs of national defense and to provide for its equitable distribution. It places over-all limits on the consumption of dry natural rubber, natural rubber latex, and total new rubber (including synthetic). It prohibits private importation of natural rubber and provides for allocation of Government-produced synthetic rubber. Provisions are also made for increasing production of camelback, for di-

recting production of rubber products into standard lines, and for restricting the use of dry natural rubber in certain listed products.

**Sec. 2. Definitions.** As used in this order:

(a) "Natural rubber" means all new RHC (rubber hydrocarbon) forms and types of tree, vine, or shrub rubber, both dry and latex, including the following grades of wild rubber (cut, uncut, washed or dried): upriver fine, acre fine, Bolivian fine, beni fine, island fine, and all other types of fine para, which are of equivalent quality regardless of name or origin; but excluding all other South or Central American grades of wild rubber and all rubber from guayule, balata or gutta-percha, as well as all reclaimed natural rubber.

(b) "Dry natural rubber" means all natural rubber in solid form.

(c) "Natural rubber latex" means the dry latex solids contained in natural rubber liquid latex.

(d) "Synthetic rubber" means all new RHC products of chemical synthesis similar in general properties and applications to natural rubber and specifically capable of vulcanization, including synthetic rubber latex but excluding reclaimed synthetic rubber.

(e) "GR-S" means a general-purpose synthetic rubber of the butadienestyrene type produced in the United States generally suitable for use in the manufacture of transportation items such as tires or camelback, as well as any other type of synthetic rubber equally or better suited for use in the manufacture of transportation items such as tires or camelback, as determined from time to time by the NPA, but excluding reclaimed general-purpose synthetic rubber.

(f) "Butyl" or "GR-I" means a special-purpose synthetic rubber produced in the United States, suitable for use in the manufacture of transportation items such as pneumatic inner tubes, but excluding reclaimed special-purpose synthetic rubber.

(g) "New RHC" means total new rubber hydrocarbon. This is the total RHC content of dry natural rubber, natural rubber latex, synthetic rubber, uncured scrap rubber and uncured in-process materials.

(h) "Consume" means, in the case of dry natural rubber, natural rubber latex or synthetic rubber, to compound, expend, formulate or in any manner make any substantial change in the form, shape or chemical composition.

(i) "Person" means any individual, corporation, partnership, association or any other organized group of persons and includes any agency of the United States or any other government.

(j) "Reclaimed rubber" means any rubber derived from the processing or treatment of vulcanized rubber or cured scrap rubber.

(k) "NPA" means the National Production Authority in the Department of Commerce.

#### RESTRICTIONS ON IMPORTATION AND CONSUMPTION

**Sec. 3. Private importation of natural rubber prohibited.** (a) On and after



December 29, 1950, no person other than the Administrator of General Services shall import into the United States (including its territories and possessions) any natural rubber as defined in section 2 (a), except as specifically authorized in writing by the Administrator of General Services: *Provided, however,* That this prohibition shall not apply to any private importation required by a contract which was made prior to December 29, 1950, and which is registered with the Administrator of General Services on or before January 5, 1951, except as any such private importation may be disapproved by said Administrator. For purposes of this section, the term "import" includes any physical movement of rubber into the United States, whether placed in general order or in a foreign-trade zone, or whether entered for consumption, bonded customs custody or otherwise, except where the rubber moves through the United States in transit, under bond, from a consignor in one foreign country to a consignee in another foreign country.

(b) The prohibition in paragraph (a) of this section does not apply to the types and grades of natural rubber excluded from the definition in section 2 (a) but all such excluded types and grades shall be inspected by, and a certificate of import secured from, the Administrator of General Services prior to their importation.

**Sec. 4. Limit on total new rubber consumption (except natural rubber latex).**

(a) No person shall (except on prior written authorization of the NPA) consume in any calendar month a total amount of new rubber (including all synthetic both dry and latex and all natural except latex) in excess of 95 percent of his base monthly new rubber consumption as computed under paragraph (b) of this section.

(b) Each person's base monthly new rubber consumption shall be one-twelfth of his actual new rubber consumption (including all synthetic both dry and latex and all natural except latex) during the year ending June 30, 1950, as adjusted by the NPA.

(c) The limitation provided in this section shall not apply to any person during any calendar quarter in which his total consumption of new rubber (including all synthetic both dry and latex and all natural except latex) does not exceed 25,000 pounds.

**Sec. 5. Limit on dry natural rubber consumption.**

(a) No person shall (except on prior written authorization of the NPA) consume in any calendar month a total amount of dry natural rubber in excess of 48 percent of his base monthly dry natural rubber consumption as computed under paragraph (b) of this section. Neither may any person consume dry natural rubber in any such month in excess of the difference between his total new rubber consumption as permitted for that month by section 4 and the total synthetic rubber acquired by him from all sources during that month.

(b) Each person's base monthly natural rubber consumption shall be one-twelfth of his actual consumption of dry

natural rubber during the year ending June 30, 1950, adjusted in the same proportion as his permitted total new rubber consumption has been or is hereafter adjusted by the NPA.

**Sec. 6. Limit on natural rubber latex consumption.** (a) No person shall (except on prior written authorization of the NPA) consume during any calendar quarter, a total quantity of natural rubber latex in excess of one-fourth of his consumption during the year ending June 30, 1950, as adjusted by the NPA.

(b) Any person who imports any natural rubber latex into the United States after October 1, 1950, shall offer at least 10 percent of his imports to the General Services Administration at his regularly established price.

(c) In the event that imports of natural rubber latex are of such volume that an excess remains available for consumption (including any amounts not accepted by General Services Administration), after deducting from total imports (1) the base-period consumption allowed by paragraph (a) of this section, (2) the stockpile requirements of the Government, and (3) a reasonable reserve for adjustments under section 18, such excess will be allocated quarterly to consumers by the NPA on the basis of their pro rata allocation of natural rubber latex during the fourth calendar quarter of 1950. Any allocations made under this paragraph may be consumed in addition to the amounts permitted by paragraph (a) of this section.

**Sec. 7. Rubber to fill DO rated orders.**

(a) Such quantities of new rubber as are used in making products to fill DO rated orders (other than those rated "DO-97") are hereby exempted from the limitations on consumption contained in sections 4, 5 and 6. All such quantities shall accordingly be excluded in computing consumption under those sections. Allocations of synthetic rubber will be made for such purposes, upon application in writing to the NPA, in addition to the allocations for which provision is made in sections 8, 9 and 10.

(b) Any person filing an application for an allocation of rubber to fill DO rated orders (other than those rated "DO-97") must show (1) the DO rating number or symbol applied to the order, (2) the Government contract and purchase numbers, (3) the identity and quantity of the product ordered, (4) the Government specifications for the product insofar as concerns the rubber content, (5) the name and address of the customer and the shipping destination, and (6) the types and quantities of rubber required, by month, to fill the order.

**ALLOCATION OF SYNTHETIC RUBBER**

**Sec. 8. Limitation on acquisition of synthetic rubber.** No person shall acquire more Government-produced GR-S or butyl (GR-I) than is allocated to him by the NPA. No person shall sell or transfer any synthetic rubber acquired from the Government to any person other than the Office of Rubber Reserve, Reconstruction Finance Corporation.

**Sec. 9. Allocation procedure.** The NPA will allocate quarterly, to each consumer of GR-S or butyl, the amounts of

Government-produced GR-S and butyl that he may purchase during a specified calendar quarter. The NPA will notify the Office of Rubber Reserve, Reconstruction Finance Corporation, of such allocations and the Office of Rubber Reserve will not issue purchase permits to anyone for more GR-S or butyl than is allocated to him. Persons desiring to purchase GR-S or butyl will submit purchase requests to the Office of Rubber Reserve in accordance with its established procedure.

**Sec. 10. Basis of allocation.** GR-S and butyl for non-defense purposes will be separately allocated by the NPA for each calendar quarter on the following basis:

(a) **GR-S.** Subject to the provisions of paragraphs (d) and (e) of this section, each consumer of GR-S will be allocated a fair and proportionate share of the total available Government-produced GR-S (after a reasonable amount has been reserved for DO (other than "DO-97") rated orders, for such other programs as may be approved by the NPA, and for adjustments under section 18). The share of GR-S so allocated to each consumer will be calculated so that such share, when added to the quantities of other new rubber which are permitted or allocated to him and which enter into the computation of total new rubber under section 4, will equal his total new rubber consumption as permitted by section 4.

(b) **Butyl for tire tubes.** Subject to the provisions of paragraphs (d) and (e) of this section, each manufacturer of tire tubes will be allocated his pro rata share of total available Government-produced butyl (after a reasonable amount has been reserved for DO (other than "DO-97") rated orders, for such other programs as may be approved by the NPA, and for adjustments under section 18), based on the proportion which his total new rubber consumption for tire tubes during the year ending June 30, 1950, bears to the total new rubber consumption of the industry for tire tubes during that period, as determined by the NPA.

(c) **Butyl for other uses.** Subject to the provisions of paragraphs (d) and (e) of this section, each consumer of butyl for purposes other than the manufacture of tire tubes will be allocated for each calendar quarter, his average quarterly consumption of butyl for such other purposes during the year ending June 30, 1950, as determined by the NPA.

(d) **Imports to be considered.** In making the allocations described in paragraphs (a), (b) and (c) of this section, the NPA will ascertain the quantities of imported GR-S and butyl acquired by each consumer, and will reduce by the amounts of such imported rubber the allocations which would otherwise be made.

(e) **Inventories to be considered.** In making the allocations described in paragraphs (a), (b) and (c) of this section, the NPA will ascertain and take into account each consumer's inventory of GR-S and butyl, and will adjust the allocations insofar as practicable so that inventories (including rubber in warehouse and in transit) will not be in-



creased beyond a 20-working-day supply.

#### RUBBER PRODUCT REQUIREMENTS AND LIMITATIONS

**SEC. 11. Camelback production required.** Every person who produced camelback during the year ending June 30, 1950, shall produce in each month of 1951, an amount of camelback which by RHC weight is at least one and a half times as great in proportion to his total new rubber consumption in the manufacture of transportation products during such months, respectively, as the proportion which his production of camelback during the year ending June 30, 1950, bore by weight on RHC basis to his total new rubber consumption in transportation products during that year. For example, if a person's production of camelback on RHC basis accounted for 5 percent of his new rubber RHC consumption in transportation products during the year specified, his production of camelback in each month must account for at least  $7\frac{1}{2}$  percent of his new rubber RHC consumption in transportation products during each month of 1951. This means that consumers who produce transportation products other than camelback must sacrifice sufficient RHC from other transportation products to achieve the above result, since no extra allocation of RHC will be made to compensate for increased camelback production. Those who produce camelback only are not subject to this section.

**SEC. 12. Rubber product simplification and manufacturing specifications—**(a) *Manufacture except in accordance with Appendix A prohibited.* On and after March 15, 1951, no person shall manufacture any rubber product except in accordance with the specifications and other terms and conditions prescribed in Appendix A below. More specifically, (1) no person shall consume any natural rubber (dry or latex) in the manufacture of any product not listed in Column II of Appendix A, (2) no person shall consume more natural rubber (dry or latex) in the manufacture of any listed product than prescribed in Column III (as qualified by Column IV) of Appendix A, and (3) no person shall consume any new RHC (natural or synthetic) in the manufacture of any listed product in more or different lines, types, qualities, styles or colors than those prescribed in Column IV of Appendix A.

(b) *Exceptions to limitations of Appendix A.* (1) *Defense orders.* Notwithstanding the provisions of Appendix A, any product manufactured to fill a DO rated order (other than one rated "DO-97") may be manufactured to the specifications of the order if and to the extent that such specifications are required by the Government. Efforts will be made, however, to obtain maximum standardization of rubber products for Government defense requirements as well as between defense and non-defense requirements.

(2) *Tire experimentation.* Notwithstanding the provisions of Appendix A, any person may use up to a total of 2,000

pounds of dry natural rubber during any calendar quarter for experimentation in the manufacture of those sizes and types of tires for which specifications are provided in Appendix A.

(c) *Import restrictions—*(1) *Certification required.* No product for which specifications are established in Appendix A may be entered for consumption in the United States or its territories or possessions unless the entry thereof is accompanied by a certificate from the exporter or other qualified person to the appropriate Collector of Customs reading substantially as follows:

The undersigned hereby certifies, subject to the criminal penalties for misrepresentation contained in Title 18, U. S. Code (Crimes), section 1001, that the products covered by the invoice to which this certificate is attached contain no more natural rubber (of any type and wherever produced) than permitted by NPA Order M-2 for similar products.

(Date)

(Signature)

(2) *Exceptions.* No such certificate shall, however, be required for the importation (i) of any products by a diplomatic representative of a foreign government for his personal use or for the use of members of his staff or by a commercial representative of a foreign government for use in his official business and not for sale or (ii) of any products for experimental and testing purposes and not for sale.

#### GENERAL PROVISIONS

**SEC. 13. Monthly reports of rubber consumption and stocks.** Every person who consumes or owns, at any time during any month, any type of rubber listed below shall file a monthly report on Form NPAF-3 with the NPA in accordance with the instructions accompanying the form. This report form covers consumption, stocks, receipts, production and shipments.

#### Types To Be Reported

Dry natural rubber  
Natural rubber latex  
Reclaimed rubber  
GR-S Types, excluding latex<sup>1</sup>  
GR-S Type latex<sup>1</sup>  
Butyl types<sup>1</sup>  
Neoprene, including latex  
Butadiene-Acrylonitrile types (N-Type)<sup>1</sup>  
Other special-purpose synthetic types<sup>1</sup>  
Scrap rubber

**SEC. 14. Reports by tire, tube and camelback manufacturers—**(a) *Monthly reports.* Each manufacturer of tires, tubes and camelback shall file a report of his production, shipments and inventory for each calendar month on Form NPAF-5 with the NPA in accordance with the instructions accompanying the form. Such report shall be filed by the 10th of the month following the month to which it relates.

(b) *Weekly reports of cured tires.* Each manufacturer of tires shall file a report of his production of cured tires for each week on Form NPAF-6 with the NPA in accordance with the instructions accompanying the form.

<sup>1</sup> Includes all types whether obtained from Government or other source, including imports.

**SEC. 15. Reports by latex importers.** Every importer of natural rubber latex shall report by letter to the NPA by the 15th of each month in long tons of dry latex solids (a) his imports for the current month (actual receipts plus material due to arrive), (b) his scheduled imports for the next succeeding month, and (c) his estimate of his imports for the second and third succeeding months.

**SEC. 16. Other records and reports.** All persons subject to this order shall keep such records and file such other reports as may be required subject to approval by the Bureau of the Budget in accordance with the Federal Reports Act of 1942 (Pub. Law 831, 77th Cong., 5 U. S. C. 139-139F).

**SEC. 17. Inventory limitation.** All of the materials subject to this order are also subject to NPA Reg. 1 which prohibits the accumulation of materials in excess of a practicable minimum working inventory.

**SEC. 18. Adjustments and exceptions.** Any person affected by any provision of this order may file a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or its enforcement against him would not be in the interest of the national defense or in the public interest. In considering requests for adjustment claiming that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each request shall be in writing, in duplicate, and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

**SEC. 19. Communications.** All applications, reports and other communications relating to this order should be addressed to the National Production Authority, Washington 25, D. C. Ref: M-2.

**SEC. 20. Violations.** Any person who wilfully violates any provision of this order, or furnishes false information or conceals any material fact in the course of operation under it, is guilty of a crime, and upon conviction may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to compel necessary adjustment of his inventories or consumption or to suspend his privilege of making or receiving further deliveries of, or from processing or using, materials subject to this order.

NOTE: All reporting and record-keeping requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This order as amended shall take effect as of March 1, 1951.

NATIONAL PRODUCTION  
AUTHORITY,

[SEAL] MANLY FLEISCHMANN,  
Administrator.



**APPENDIX A—RUBBER PRODUCTS SUBJECT TO SIMPLIFICATION AND MANUFACTURING SPECIFICATIONS AS PROVIDED IN SECTION 12 OF ORDER M-2**

**EXPLANATION OF COLUMNS AND SYMBOLS**

Column 1: The code number indicated in Column 1 is the numerical identification of a similar class of products.

Column 2: The product or product class to which the restrictions apply is described in Column 2.

Column 3: The figures and symbols in Column 3 specify the amount of natural rubber, if any, that may be used in the listed products.

For product codes 1 through 8 and 14, 15, 16, 17, 23 and 24, the figures in Column 3 represent maximum percent of dry natural

rubber and/or natural rubber latex to the total weight of new RHC. For product codes 9 through 13 and 18 through 22, such figures represent maximum percent of dry natural rubber and/or natural rubber latex to the total volume of the compound, except where provided in Column 4 that the percent is expressed in terms of total weight of new RHC.

The figure "0" in Column 3 means that the use of dry natural rubber or natural rubber latex is prohibited except as may be provided in Column 4.

The symbol "X" in Column 3 means that dry natural rubber or natural rubber latex may be used in the minimum amount required except as may be provided in Column 4.

Column 4: The provisions in Column 4 are in some instances qualifications on the use of dry natural rubber or natural rubber latex as otherwise permitted by Column 3. These qualifications take precedence over Column 3 where there is any apparent inconsistency. Column 4 also contains the simplification and standardization provisions governing the manufacture of the product or product class. These latter provisions do not relate merely to the use of natural rubber but limit the lines, types, qualities, styles and colors in which the listed products may be manufactured with the use of any kind of rubber. There are no such limitations on the manufacture of listed products except as indicated in Column 4.

Code No. (1)	Product (2)	Percent natural rubber to total new RHC (3)	Special restrictions or provisions (4)
1.....	Pneumatic tires.....	(1)	The group average of any product in Code 1 may be exceeded, provided the aggregate natural rubber consumed in all products in this code does not exceed the total amount of natural rubber which would have been consumed if calculated on the maximum group averages for Code 1.
	Airplane tires.....	100	Max. individual tire—100%.
	Bicycle tires.....	13	Black side-wall construction only. Maximum individual tire—95%.
	Motorcycle tires.....	15	Black side-wall construction only. Maximum individual tire—95%.
	Passenger: Highway, mud-snow, taxi.....		Passenger car tire production is restricted as follows: All types—black side-walls only. Standard tread depth highway tires—one line and one quality only. Extra tread depth highway tires—one line only; and no greater quantity may be produced by any manufacturer in any calendar quarter, in proportion to his total production of passenger car tires in that quarter, than the proportion of his extra depth highway passenger car tire production to his total passenger car tire production in the last 6 months of 1950. Special purpose tires—no more or different lines may be produced by any manufacturer than he was producing on Feb. 19, 1951.
	Thru 7.10 and 6.50.....	15	Max. individual tire—95%.
	Over 7.10 and 6.50.....	22	Max. individual tire—95%.
	Industrial Pneumatic.....	13	Max. individual tire—95%.
	Tractor implement.....	13	Max. individual tire—95%. Restricted to one line of tires.
	Truck: Highway, heavy highway, traction, off-the-road trailer, flotation type, trailer type.....		Truck tire production is restricted as follows: Standard tread depth highway tires—one line only. Extra tread depth highway tires—one line only. Special purpose tires—no more or different lines may be produced by any manufacturer than he was producing on Feb. 19, 1951.
	7.50 and under.....	38	Max. individual tire—95%.
	8.25 thru 9.00.....	75	Max. individual tire—95%.
	10.00 thru 12.00.....	90	Max. individual tire—95%.
	Over 12.00.....	92	Max. individual tire—95%.
2.....	Solid tires:		
	Airplane tires.....	X	
	Bogie, idler and support rollers.....	X	
	Pressed on.....	50	
	Cured on, 4 x 1½ and up.....	50	
3.....	Tire tubes:		Any color, but one color only, except that every tube containing butyl must be marked with one or more circumferential light blue stripes, applied on the base section of the tubes, any one of which stripes must be ¾" minimum width. No other tube shall be so marked.
	Airplane.....	100	Including valves.
	Bicycle.....	5	
	Industrial pneumatic.....	50	
	Passenger.....	0	
	Puncture seal.....	X	
	Safety tubes.....	X	
	Tractor implement.....	0	
	Truck, 8.25 cross-section and under.....	0	
	Above 8.25 and up to 14.00.....	5	
	14.00 cross-section and over.....	80	
4.....	Tire tube valves and curing bags:		
	Tire tube valves (including repair valves).....	X	
	Tire tube valve inside washers.....	X	
	Curing bags.....	50	May be averaged with groups in Code 1.
5.....	Tire flaps:		
	10.00 and up.....	100	
	All others.....	50	
6.....	Tire retreading materials:		
	Air bags, full circle for retreading.....	X	
	Camelback for airplane tires.....	100	
	Camelback for 9.00 cross-sections and larger, in die sizes 6½" crown width and 1½" ga. and up.....	X	
	Camelback, die sizes under 6½" crown width and under 1½" ga.....	0	
	Camelback cushion gum.....	100	½" ga. max. for synthetic camelback.
	Padding stock.....	X	
	Stripping stock.....	X	
	Filler stock.....	X	
	Cushion repair gum.....	100	
	Tread repair gum.....	X	
7.....	Tire and tube repair materials:		
	Air bags, sectional.....	X	
	Bulk tire repair materials.....	X	
	Tire patches.....	X	
	Tube patches.....	X	
	Patching cement.....	X	
8.....	Tank blocks, treads and band tracks.....	X	

<sup>1</sup> Maximum group average.



[illegible]



Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
10-C	General industrial hose—Continued		
	Creamery	20	Buff color cover permitted.
	Divers:		
	Floating	X 5	Natural rubber color permitted.
	Sinking	40	
	Dredging sleeves	40	
	Expansion joints	40	
	Fire:		
	Cotton rubber lined and R. C.	25	
	Wrapped duck	25	
	Fire engine suction:		
	Hard	10	
	Soft	25	
	Fire extinguisher tubing	5	
	Flanged flexible pipe	40	
	Garden and lawn	0	Red and green cover permitted.
	Jetting	10	
	Marine exhaust	0	
	Material handling—including grain	40	
	Cement and concrete	40	
	Phosphate flexibles	40	
	Rock dusting	40	
	Insulation blowing	5	
	Paint spray, fluid line	0	5% natural rubber by volume permitted when Thiokol is used.
	Paper mill hose	10	
	Petroleum products:		
	Gasoline service station	0	
	Oil suction and discharge	15	Both rough and smooth bore permitted.
	Butane and propane	5	
	Tank wagon	0	
	All other not elsewhere listed	0	
	Pinch valve	X	
	Rotary drilling:		
	Vibrator	15	Color stripe or band permitted.
	Mud suction	15	
	Sand blast	X	
	Sand placing and sand suction	40	20" and over I. D. X natural rubber permitted.
	Shaft covering, flexible	5	
	Spray, horticultural and car washing	5	For car washing service where pressure exceeds 250 P. S. I.
	Over 400 lbs. working pressure	5	
	Under 400 lbs. working pressure	5	
	Steam:		
	Over 50 lbs. working pressure	X 20	
	50 lbs. and under working pressure	X	
	Steam heating		
	Suction, water:		
	Hard rubber and rough bore	5	
	Smooth bore up to 6"	10	
	Smooth bore 6" and over	20	
	Vacuum:		
	Household, including hotels, office buildings, etc.	25	
	Industrial dust collector and blower exhaust	X	
	Washing machine	0	
	Water:		
	Radiator filling	0	
	Industrial:		
	Severe service	10	
	Moderate service	5	
	Welding	5	Hose may be black, red, and/or green as required for safety identification.
	Hose not elsewhere listed	0	
10-D	Railroad hose:		
	Air brake and signal, M-601	20	
	Air pneumatic tool, M-608	5	
	Paint spray, M-610	5	
	Pantograph	10	
	Sand, M-615 and M-616	X	
	Sand pipe nozzles	X	
	Steam, hot water and car heat, M-605	X	
	Tender tank, M-606	10	
	Water, cold, M-604	5	
	Welding, M-603	5	
	Railroad hose not elsewhere listed	0	
11	Packing and gaskets not elsewhere listed		Color optional. Restriction on one line, type, quality, and style do not apply.
11-A	Packings without fabric or high percent of fiber, including sheet and also strip, discs, gaskets, rings, cups, U packings, V rings, O rings, nonfabric diaphragms, etc. made by extruding, cutting, or molding:		
	Below 45 durometer	0	
	45 durometer and above	0	
	Pipe coupling gaskets	0	
	Molded and extruded gaskets spliced endless after initial vulcanization	0	
	Electrical transformer sheet rubber for packing seals	40	
	O rings for sliding contact against steam and chemicals	X	
	Air brake gaskets	X	
	Vulcanizer door gaskets	X	
	All others not elsewhere listed	0	
11-B	Packings with high fiber content sheet (generally known as "compressed asbestos sheet") and gaskets cut from same:	5	By weight.
	Molded gaskets, discs, rings, etc.	5	By weight.
	Rod packing coil, spiral ring form (generally known as "rubber-bonded plastic packing")	5	By weight.
11-C	Packing with fabric or wire insertion sheet gasketing (generally known as "C. I. or B. W. I. Sheet") and gaskets cut from same:		
	Cotton insert	5	
	Wire insert	10	
	Asbestos insert	25	
	Rolled or molded gaskets:		
	Cotton insert	25	
	Asbestos insert	25	
	Diaphragm sheet including diaphragms cut from same or molded:		
	Supersensitive gas regulation	X 25	
	Molded other than above	25	
	Cut other than above	15	
	Rectangular piston packing	50	
	Rod packing including molded cups, U packings, and V rings:		
	Cotton insert	25	
	Asbestos insert	25	
11-D	Valve and valve parts:		
	Valve and valve discs—45 duro. and under	X	
	Loaded ball valves	X	
	All other valves and valve parts	0	



Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
11-E	Sealing compounds for food closures: Food-beverage container gaskets (molded, extruded or lathe cut)..... Jar rings..... Molded stoppers for food and beverage containers.....	0 25 0	30% natural rubber by weight in the compound is permitted for food gas- kets formed and vulcanized in the closure. Natural rubber latex only permitted.
	Sealing compounds, food closures ("flowed-in" type for glass con- tainers and metal cans).....	X	
12	Other mechanicals.....		All products in Code 12—black unless otherwise specified. Restrictions on line, type, quality, and style do not apply.
12-A	Aircraft equipment: Boots, de-icer and integral parts..... Bumpers..... Cords, alighting gear..... Conductive rubber parts..... Flexible couplings, functional..... Engine instrument mountings and vibration insulators..... Oxygen mask, pilot..... All parts 45 durometer or less..... All other parts not elsewhere listed.....	X 0 X X X X X 0 0	
12-B	Automotive equipment: Windshield wiper blade..... Bumper—retaining and cheek (molded)..... Bumpers—functional: Suspension..... Crash..... Bushings: Suspension..... Torque rod..... Coupling—flexible..... Weatherstrips and body seals, extruded, under 50 durometer..... Weatherstrip, injection compound for splicing and forming..... Molded ventilator strips..... Glass run..... Crankshaft torsion dampers..... Transmission and engine mountings: 50 durometer and over..... Under 50 durometer..... Body and chassis mountings: 50 durometer and over..... Under 50 durometer..... Tail pipe insulator—under 50 durometer..... Torsion springs..... Grommet, score-molded-retaining, for dashboard insulation..... Fuel tank—filler neck seal..... Mats: Contour, front compartment only..... Sill with retaining buttons..... All other automotive mats..... Cowl liners..... Seal beam headlights..... Pads—N. I. with retaining buttons..... Silencers—coil spring..... Rear spring seat insulator..... Tubing: Drain..... Windshield wiper, non-reinforced..... Spring tying suspension seat cord..... Molded diaphragms..... Hydraulic, air brake, and vacuum brake cups, diaphragms, valves and seals..... Seals: Valve stem—tire..... Valve stem—motor..... All other parts not elsewhere listed.....	X 25 25 10 X X X X 0 X 25 10 X 40 X 0 0 X X 25 25 10 15 0 0 X 0 X 25 X 25 0 X 25 0	All mats color optional. A color spray containing no natural rubber may be applied to one side. New rubber other than natural may be used in the spray. All liners color optional. A color spray containing no natural rubber may be applied to one side. New rubber other than natural may be used in the spray.
12-C	Railroad and streetcar equipment: Car spring snubbers..... Refrigerator friction drive wheel..... Refrigerator car door seal..... Molded seal for double-glazed windows..... Bumpers..... Streetcar wheel..... Windshield wiper blades..... Door shoes..... Draft gears..... Vibrational insulators—functional..... All other parts not elsewhere listed.....	X X 0 0 X X X X X X 0	
12-D	Farm equipment: Flax roll (50 durometer or under)..... Corn husking roll..... Feed conveyor..... Corn snapper roll..... Draper apron roll..... Cotton rubber roll..... Hay baler roll..... Rubber covered canvas..... Cotton picker doffer..... Press wheel tires..... Gauge wheel tires..... Shoe pitman arm torque bushing and torsion bushings..... Bearing cushion cups, non-oil-resisting..... Cotton drier flaps..... Pneumatic seats..... Steering wheels..... Rubber covered beater bars..... All other parts not elsewhere listed.....	X 5 5 5 5 5 5 0 0 X X X X 0 0 10 X 0	For adhesion. For adhesion. For adhesion. For adhesion. For adhesion. For adhesion. For adhesion.
12-E	Electrical products and industrial equipment: Base attachment plugs and cord protectors..... Telephone and telegraph insulators..... Lineman protective devices..... Friction tape..... Splicing compound..... Underground cable connectors..... Flexible connections for vacuum and exhaust equipment..... Mandrels for surgical tubing..... Molds..... Sand and shot blast equipment..... Press die pads and draw sheets..... Bulging rubbers.....	X 10 0 X 35 X 25 X X X X X	Color optional. 5 lbs. of natural rubber for 100 sq. yds.



Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
12-F	Household and appliance products:		
	Refrigerator and freezer parts:		
	Gasket, door	X	Color optional.
	Gasket, liner opening	X	
	Collars, throat	40	
	Glass and panel seals	40	
	Tubing, beverage dispensing	40	Color optional.
	Tubing, drain—molded	25	
	Rollers, tray	0	
	Freezer lid assembly	0	
	All other parts not elsewhere listed	0	
	Vacuum cleaner and sweeper parts:		
	Extensible drive belt	X	
	Bag seal	0	
	Flexing bellows and diaphragms	40	
	Brush guards, collars, and holders	40	Color optional.
	Sweeper tires and wheels	0	
	Electrical conducting parts	X	
	Grips	0	
	Functional bumper guards with undercuts and retaining buttons	0	
	All other parts not elsewhere listed	0	
	Clothes-washing, dish-washing, drying, and ironing machine parts:		
	Wringer rolls	0	Color optional.
	Agitators	25	Color optional.
	Tub and lid gaskets	25	Color optional.
	Extensible belts—drive	X	
	Drive pulley	X	
	Collapsible tubs	X	
	Flexing boots and diaphragms	X	
	Extruded drain hose or tubing	0	Black only.
	Formed pressure tubing	30	
	Couplings and nozzles	15	
	Unconfined lip door gasket	X	
	Water seals	0	
	Flexible pump rotors	40	
	Pump valves—flexing	X	
	All other parts not elsewhere listed	0	
	Miscellaneous houseware accessories		Color optional.
	Strain relief grommets—electric irons, etc.	40	
	Light colored molded parts	0	
	Strainers, sink and drain	0	
	Pans, dust	0	
	Water aerator	0	
	Sewing machine drive pulley and belts	X	
	All other parts not elsewhere listed	0	
	Plumbing specialties:		
	Ball cock washers	10	
	Force cups	0	
	Gaskets and valves designed for back flow preventors	X	
	Tank balls designed for flush valves core molded	25	
	Floor flange gaskets	0	
	All other plumbing specialties	0	
12-G	Milk and food handling equipment:		
	Milk and milking equipment		Color optional.
	Bottle filler rubbers	0	
	Bowl rings	25	
	Parlor milking gasket	X	
	Gaskets, washers, and couplings	0	
	Milking inflations and cup caps	X	
	Teats for calf feeder pails	X	
	Tubing including duplex, milk, vacuum, air, and stanchion:		
	45 duro, or under	X	
	over 45 durometer	0	
	Straps, sursingle	9	
	Milk—pasteurizer plate gaskets	X	
	Food and beverage processing and dispensing equipment		Color optional.
	Chicken pickers	35	
	Cherry pitters	X	
	Corn husking roll—(canning) under 45 durometer	X	
	Can testers	X	
	Molded fittings for beverage handling	X	
	Stop for ice cream cone dispenser	X	
	Rice polishing blocks	X	
	All other parts not elsewhere listed	0	
12-H	Mining equipment:		
	Air chambers for conset figs	X	
	Flotation parts, including liners for cells, impellers, and shafts	X	
	Stator & rotor tubes	X	
	Ore car liners	25	
	All other parts not elsewhere listed	0	
12-I	Oil field specialties:		
	Packers—production and test without fabric	35	
	With fabric	20	
	Slush pump, pistons and liners for fluid packed pumps	X	
	Stabilizers and wire line guides	0	
	Stuffing box rings—polished rod	25	
	Silp pads	25	
	Strippers	0	
	Pipe wipers	X	
	Swab rubbers and lining bumpers	10	
	Testing and cementing equipment	25	
	Valves, cups and inserts	X	
	All other parts not elsewhere listed	0	
12-J	Miscellaneous mechanical goods:		
	Parts for manufacture of rayon		Color optional.
	Parts that come in contact with rayon filament	X	
	All other parts	0	
	Parts for Cellophane	0	
	Textile equipment		Color optional.
	Pickers, all types	X	
	Lug straps	45	
	T-Strap	0	
	Card clothing	X	
	Draw rolls—30 duro	X	
	Bolsters, fabric shrinking	X	
	Hold-ups, and sweep sticks	12	
	All other parts not elsewhere listed	0	



Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
12-J	Miscellaneous mechanical goods—Continued		
	Laboratory supplies:		
	Tubing:		
	45 duro, and under	X	
	Over 45 duro	0	
	All other parts not elsewhere listed	0	
	Industrial tubing:		
	45 duro, and under	X	
	Over 45 duro	0	
	Traffic counter tubing	X	
	Miscellaneous mechanical goods:		
	Soft rubber alkaline storage batteries and parts	0	
	Billiard and pool table cushions	X	
	Brake and hydrant expander tubing	X	
	Brush setting compounds	X	
	Budding strips	X	
	Casters and molded wheels:		
	Under 4" dia.	0	
	4" and over	5	By weight.
	Conductive caster wheels	X	
	Core molded parts not elsewhere listed	25	
	Cutting rubbers not elsewhere listed	0	
	Dam and lock-gate seals	0	
	Flexible bags and parts for forming operations in manufacturing plants	X	
	Flexible couplings—torque	X	
	Flexible sanding and buffing pads	0	
	Gas main bags	X	
	Goggles and parts	25	
	Industrial balls		Color optional.
	45 duro, and under	X	For vibration screens and ball mills.
	Over 45 duro	0	
	Insulation tubing	25	Cork or fiber loaded.
	Labels	X	Colors permitted.
	Mine safety lamp parts	X	
	Molded annular tires:		
	Light and medium duty	0	
	Heavy duty	40	
	Molded boots and dust seals	0	
	Rebound discs for well drilling	X	
	Molded parts attached to adjacent parts by integral undercut buttons, and grommets. Not elsewhere listed.	25	
	Mountings, shock absorbers, dampers and vibration insulators:		
	Under 50 duro	X	
	50 duro, and over	40	
	Pressure sensitive signal controls	10	
	Sandblast stencil sheet for monument work	25	
	Seals for electrolytic condensers	X	
	Tubular grips, including cork or fiber-loaded	0	
	Windshield wiper blades, squeegee rubber and wiper dies	X	Color optional.
	X-ray sheets	X	
	Belt idler channel	0	
	Parts for ladders	0	
	Mallets	0	
	Traffic cones and markers	0	
	All other parts not elsewhere listed	0	
	Tires, parts for bicycles, toy vehicles, and lawn mowers		Black only.
	Handle grips	0	
	Pedal pads	0	
	Dodgem bumpers	25	
	All other parts not elsewhere listed	0	
12-K	Printing rubber products:		
	Printing rollers:		
	Newspaper rollers:		
	Form	X	Color optional.
	Ductor	X	Color optional.
	Letter press rollers	X	
	Gravure & impression	X	
	Printing rolls to be coated with composition having a durometer less than 20.	20	
	All other printing rollers not elsewhere listed	0	
	Printing rubbers:		
	Cutting rubbers	X	
	Pottery dies	X	
	Engraving rubbers	15	
	Plate backing friction and filler	15	
	Stiff plate backing	X	
	Etching plates	X	
	Molded stencil sheet for sand or grit blasting	X	
	Adhesive fabric, including brass adhesive	X	
	Band dater fabric	X	
	Printing blankets for offset, newspaper and lithograph	X	Color optional.
	Rubber solution for wet plate negative	X	
	Paper pick-up suction cups	X	For printing press only.
	All other printing rubbers not elsewhere listed	0	
12-L	Rolls and roll coverings:		
	Suction press roll covering	X	Color optional.
	Paper mill roll covering	X	
	Textile	X	
	Other industrial roll covering	8	
	All other roll coverings not elsewhere listed	0	
12-M	Rubber protected or lined equipment:		
	Tank cars, barges and trucks	X	
	All other	X	
12-N	Mats and matting:		
	Switchboard—not less than 3/4" thick for 3,000 volts and over	30	Black only.
	Roll matting and stair treads	0	Black only.
	Perforated mat	0	Color optional.
	Link and molded door mats	0	Color optional.
	Bath mats	0	Color optional.
	All other mats not elsewhere listed	0	Color optional.
12-O	Safety respiratory equipment: Breathing apparatus, safety masks and respirators, including parts.	X	



Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
12-P	Hard rubber products.....		Color optional. Restrictions on line, type, quality or style do not apply.
	Ball gauges and molded tie rods.....	50	
	Baskets (etching), beakers, buckets, dippers, frames, funnels, mea- sures, pails, packs, and trays.....	15	
	Bleaching rods.....	X	
	Blown work.....	X	
	Component hard rubber parts for the manufacture and handling of rayon, explosives, and corrosive chemicals.....	50	
	Knife handles.....	35	
	Dye sticks.....	X	
	Bowling balls.....	20	
	Industrial flashlight parts.....	65	
	Insulated tools.....	20	
	Jack strips.....	30	
	Microporous battery separators.....	X	
	Mouth pieces for musical instruments.....	X	
	Parts not elsewhere listed for storing, conveying, and processing corrosive chemicals.....	50	
	Pipe and fittings.....	10	
	Pipe bits.....	15	
	Plating barrels and parts.....	30	
	Potentiometer cards.....	X	
	Refrigerator parts.....	X	
	Rods up to .040" diam.....	X	
	Rods .040" to 1/2" diam. incl.....	35	
	Rods over 1/2" diam.....	20	
	Sheets 1/6" thick or less.....	X	
	Sheets over 1/6" to 1/4" thick incl.....	50	
	Sheets over 1/4" thick.....	30	
	Tubing up to and inc. 1/2" wall.....	X	
	Tubing over 1/2" to 1/4" wall incl.....	50	
	Tubing over 1/4" wall.....	30	
	Cafeteria trays.....	50	
	Steering wheels.....	10	
	Hard rubber parts for alkaline storage batteries.....	35	
	Heavy duty battery cases over 15#.....	50	
	Hand wrapped battery cases.....	30	
	Submarine battery jars.....	50	
	Storage battery cases where product of tensile and elongation exceeds 10,000 pounds.....	50	
	Ventilating parts for submarines—hand wrapped.....	X	
	Ventilating parts for submarines—molded.....	50	
	Parts for submarines not elsewhere listed.....	50	
	Telephone commutator inserts.....	50	
	Tubular retainers (submarines).....	60	
	Parts for water meters.....	60	
	X-ray and photo tanks.....	30	
	Forming tanks.....	40	
	Connector stocks.....	30	
	Parts not elsewhere listed.....	0	
12-Q	Industrial equipment: Industrial abrasive implements.....		The over-all monthly consumption of natural rubber shall not exceed 60% of the total new RHC consumed. Restrictions on line, type, quality, style, and color do not apply.
12-R	Brake linings, brake blocks and clutch facings.....		The over-all monthly consumption of natural rubber shall not exceed 40% of the total new RHC consumed. Restrictions on line, type, quality, style, or color do not apply.
13	Wire and cable.....		Except where required for circuit identification, rubber compounds used in the manufacture of wire and cable shall be furnished as: Insulation com- pounds in natural or black color only; jacket compounds black color only. Restrictions on line, type, quality, and style do not apply.
13-A	Insulation compounds: Insulation for power and control cable or for building wire rated at 2000 V (phase to phase) or less and which has insulation wall thickness of more than 25 mils. For all types of insulated wire and cable in excess of 2000 V (phase to phase).....	0 70	
13-B	Sheaths and jackets.....		No natural rubber permitted for sheaths and jackets except for operation at temperatures below -40° C.
13-C	Cements and non-reinforced tapes incidental to manufacture, repair, or installation of cables.....	70	
Code No. (1)	Product (2)	Percent natural rubber to total new RHC (3)	Special restrictions or provisions (4)
14	Rubber footwear.....	70	Group average percent. No type rubber footwear shall contain more than 98% natural rubber. Line, type, quality, style, or color optional.
15	Shoe products.....		Line, type, quality, style, or color optional.
15-A	Heels, soles and other specialized materials, manufactured by rubber heel and sole manufacturers, used in the manufacture and repair of shoes and excluding those items covered by other subsections of this code. Soles.....	5 X	DO orders for black, full length, cleated soles for "Tropical Army Combat Boots" and "Ski-Mountain Army Boots."
	Crepe soles, heels, welting and wrappers.....	0	The consumption, production or sale (other than to G. S. A., unless specif- ically authorized by G. S. A.) of natural RHC for crepe soles, heels, welting and wrappers is prohibited. Only exception: Existing inventories as of March 15, 1951, in the actual possession of shoe manufacturers and shoe repairmen may be consumed.
15-B	Inner shoe cushions and pads.....	X	
15-C	Orthopedic appliances.....	X	
15-D	Impregnated insoles, impregnated box toes.....	X	
15-E	Materials used in the manufacture of shoes and incorporated therein for the operations of combining, coating, finishing, laminating, impreg- nating, and proofing.....	X	
15-F	Shoe tapes.....	X	
15-G	Cements for the manufacture and repair of shoes and component parts.....	X	
16	Cements.....		Color optional.
16-A	Cements for all purposes.....	67	
16-B	Miscellaneous uses: For manufacture of products covered by all code numbers in this Appendix A.....	X	
16-C	Special uses: Shoes, welting.....	X	Latex only permitted.



Code No. (1)	Product (2)	Percent natural rubber to total new RHC (3)	Special restrictions or provisions (4)
17-----	Proofing, combining or coating of fabric:		
	Covering material for transportation equipment.....	0	
	Film and coated materials for medical, health, and safety products.....	40	
	Anchor coats: spread, frictioned, or impregnated directly on fabric, or other material to be later calendered or spread.....	100	
	Seaming tapes and strapping.....	100	
	Cements used in assembly of other products here listed.....	100	
	Diving and life-saving equipment.....	100	
	Industrial and protective apparel.....	40	
	Industrial specialty products.....	50	
	Except low temperature diaphragm material.....	100	
	Printing and engraving trade material.....	50	
	Flocked and imitation sueded materials.....	0	
	Except adhesive coating for anchoring the flock.....	100	
	Civilian utility products.....	0	

Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
18	Drug sundries, medical, surgical, dental, veterinary and mortuary		Line, type, quality, style, or color optional.
18-A	Adhesive products:		
	Bunion pads and plasters	50	
	Corn plasters	50	
	Medicated foot pads and plasters	50	
	Surgical adhesive tape	50	
	Self-adhering tape and gauze bandage	X	
18-B	Bulbs—including parts	60	
	Medicine dropper bulbs	65	
18-C	Dental products:		
	Dental dam	X	
	Dental polishing tips	X	
	Denture rubber	65	
	Orthodontic bands	X	
	Denture suction and model formers	60	
18-D	Flat goods:		
	Fountain syringe bags, molded, and tubing	45	
	Fountain syringe bags, hand-made, and tubing	75	
	Ice bags—molded	45	
	Ice bags—hand-made	60	
	Invalid cushions—molded	45	
	Invalid cushions—hand-made	60	
	Operating cushions	60	
	Water bottles and combinations, molded and tubing	45	
	Water bottles—hand-made	60	
	Fountain syringe bags, latex, and tubing, ice bags	X	
18-E	Gloves and cots:		
	Finger cots—including industrial and agricultural	X	
	Surgeons gloves	X	
	Net-lined hand-made gloves	75	
	Electricians' gloves, sleeves and climber guards	X	
	Industrial and general purpose gloves	X	
18-F	Infant goods:		
	Infant feeding nipples	X	
	Nurser bottle caps	X	
	Pacifiers	X	
	Breast shields	X	
	Teethers and teething rings	35	
	Baby pants	X	
18-G	Miscellaneous sundries:		
	Bath caps	60	40% of base period monthly average of natural rubber (dry or latex) consumed in bath caps permitted monthly.
	Blood pressure bags	X	
	Catheters, glass molded	65	
	Catheters, latex	X	
	Castrator rings	45	
	Hard rubber pipes, connections and accessories	30	
	Penrose tubing	X	
	Colostomy outfits	X	
	Crutch pads	X	
	Crutch pads, sponge	60	
	Dilators	X	
	Inhalation bags and face pieces	X	
	Miscellaneous medical instrument parts	X	
	Prostatic bags	X	
	Prosthetic devices	X	
	Orthopedic parts, sponge	60	
	Respirator seal for iron lungs, sponge	X	
	Rubber bands and cushions for artificial limbs	X	
	Medical stopples	X	
	Tourniquets	X	
	Truss pads	X	
	Urinals	X	
	Vaccine caps	X	
	Veterinary sleeves	X	
	Bath sprays and parts	18	
	Toilet and bath sponges	25	
	Bath socks	X	
	Tension tape	75	
	Rubber sheets for mortuary garments	X	
18-H	Pessaries and prophylactics	X	
18-I	Sheet goods:		
	Bandage gum	X	
	Oxygen tent canopies	X	
18-J	Tubing: Surgical tubes and tubing	X	
18-K	Ladies personal sanitary items:		
	Dress shields	X	
	Bloomer protective plates	X	
	Sanitary belts	X	
	Sanitary aprons	X	
	Unsupported girdles	X	
	Supported girdles	X	
	All items not elsewhere listed	0	



Code No. (1)	Product (2)	Percent natural rubber by volume (3)	Special restrictions or provisions (4)
19.....	Flotation equipment: Pontoons, rafts, boats, buoys, etc.....		Government orders only. Natural rubber permitted as required.
20.....	Life-saving equipment: Suits, jackets, vests, belts, etc.....		Government orders only. Natural rubber permitted as required.
21.....	Bullet sealing fuel cells.....	X	
22.....	Miscellaneous.....		
22-A.....	Athletic goods.....		Line, type, quality, style or color optional.
	Golf balls.....	85	
	Golf club grips.....	25	
	Tennis balls.....	81	
	Inflatable athletic balls.....	53	
	Inflatable playground balls.....	53	Maximum diameter 10 inches.
	Squash balls.....	60	
	Hand balls.....	60	
	Lacrosse balls.....	60	
	Rubber-covered baseballs.....	60	
	Baseball centers.....	10	
	Rubber-covered softballs.....	60	
	Ear protective plugs.....	X	
	Cement for repair kits.....	X	
	Boxers' teeth protectors.....	80	
	Athletic bladders.....	10	Maximum monthly average.
	Athletic bladder valves.....	85	
	Gun pads.....	10	
	Lead tennis racquet weights.....	40	
	Swim fins.....	35	
	All items not elsewhere listed.....	0	
22-B.....	Balloons.....		Line, type, quality, style, or color optional. Natural rubber latex only permitted.
22-C.....	Sponge rubber.....		Line, type, quality, style, or color optional.
	Nitrogen blown.....		60% natural rubber to total RHC permitted. Maximum monthly average.
	Chemically blown.....		Gas chamber method only.
	Kneeling pads.....	0	45% natural rubber to total RHC permitted. Maximum monthly average.
	Church kneelers.....	0	
	Wallpaper cleaners.....	0	
	Floor mops.....	0	
	Seat cushions.....	0	
	Firemen's landing pads.....	0	
	Typewriter pads.....	0	
	Breast pads.....	0	
	Sponge balls.....	0	
	Sponge toys.....	0	
	Sponge novelties.....	0	
22-E.....	Miscellaneous products:		
	Radio, radar and fire control instruments.....	X	
	Parachute bands and ventilating rings.....	X	
	Chlorinated and cyclized rubber for packaging perishable foods.....	X	
22-F.....	Pressure sensitive tape.....		Line, type, quality, style, or color optional.
	Color decorative tapes.....	0	For household use sold in lengths less than 1,292 inches.
	General purpose cloth-backed tapes.....	20	
	Double-faced cloth-backed tapes.....	20	
	Nonfibrous film-backed tapes.....	30	
	Sand blast stencil tapes.....	40	Adhesive plus backing.
	Paper-backed tapes, as follows.....	50	Combined adhesive and impregnating compositions.
	General purpose masking tapes.....		
	Frozen food packaging tapes.....		
	Photographic tapes.....		
	Double-faced tapes.....		
	Drafting tapes.....		
	Shoe tapes.....		
	Extra-strength tapes.....		
	Super-strength tapes.....		
	Tapes with backings of nonfibrous film laminated to paper.....	50	Combined adhesive laminating and impregnating compositions.
	Electrical tapes.....	X	
	High-temperature tapes.....	X	
	Non-storming tapes.....	X	
	High-strength tapes.....	X	
	Protective paper tapes.....	X	
	Other tapes.....	X	
22-G.....	Stationers' supplies.....		
	Erasers.....	10	Line, type, quality, style, or color optional. Percent of natural rubber to total new rubber hydro-carbon.
	Pen sacs.....	X	Natural rubber latex only permitted.
	Rubber bands.....	75	
22-H.....	Thread and related products: Rubber thread.....	X	Natural rubber latex permitted. 6 colors and 11 sizes permitted.
22-K.....	Toys.....		Line, type, quality, style, or color optional.
	Latex toys.....		Natural rubber latex only permitted.
	Dipped beach balls.....	70	
	Crib toys.....	X	
	Slush-molded toys.....	50	
	Doll skins.....	X	
	Molded (dry rubber) toys.....		40% of base period monthly average of rubber consumed in molded (dry rubber) toys permitted monthly.
	Core-molded dolls and parts.....	45	
	Inflated dolls.....	45	
	Inflated balls.....	45	
	Hand-made water toys.....	45	
	All items not elsewhere listed.....	0	
22-L.....	Rubber flooring and floor covering.....		Line, type, quality, style, or color optional.
	Rubber tile flooring.....	0	
	Coating for fiber floor covering.....	0	Natural rubber latex only permitted.
22-M.....	Rubberized fiber and hair cushioning.....	0	Color optional. Natural rubber latex only permitted.



Code No. (1)	Product (2)	Percent natural rubber to total RHO (3)	Special restrictions or provisions (4)
3.....	Latex foam products..... Bedding: Mattresses..... Mattress toppers..... Pillows..... Automotive toppers..... Furniture—transportation seating..... Uncoated slab..... Miscellaneous molded parts.....	        55 75 60 75 0	Line, type, quality, style or color optional.
4.....	Any product other than products listed in codes 1 to 23 inclusive.....	0	

[F. R. Doc. 51-3004; Filed, Mar. 2, 1951; 5:08 p. m.]

## [NPA Order M-44]

## M-44—POWER EQUIPMENT: PRODUCTION AND DELIVERY

This order is found necessary and appropriate to promote the national defense and is issued pursuant to authority granted by section 101 of the Defense Production Act of 1950. In the formulation of this order there has been consultation with industry representatives, and consideration has been given to their recommendations. However, consultation in advance of the issuance of this order with representatives of all trades and industries affected has been rendered impracticable by the fact that the order affects a very substantial number of different trades and industries.

## Sec.

1. What this order does.
2. Definitions.
3. Reports.
4. Modification of production and delivery schedules.
5. Defense requirements paramount.
6. Adherence to production and delivery schedules.
7. Impossibility or impracticability of adherence.
8. NPA assistance.
9. Exemptions.
10. Adjustments and exceptions.
11. Communications.
12. Records, audit, inspection, and reports.
13. Violations.

**AUTHORITY:** Sections 1 to 13 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong. Sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp. Sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

**SECTION 1. What this order does.** This order requires manufacturers of heavy power equipment, as hereinafter defined and as listed and described in the attached Schedule A, to file monthly reports, beginning not later than March 15, 1951, showing orders on hand for such equipment and the related production and delivery schedules, and, on and after March 16, 1951, to maintain, modify, or alter production and delivery schedules as the National Production Authority (hereinafter referred to as "NPA") may at any time and from time to time direct. This order also provides that NPA may assist such manufacturers by allocating steel, copper, and aluminum as required to maintain production. This order supplements NPA Reg. 2 but only those provisions of said Reg. 2 which are in conflict with this order are superseded, and all other provisions of said Reg. 2 shall

continue to apply to persons to whom this order and any directives issued hereunder may apply.

**SEC. 2. Definitions.** As used in this order:

(a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons and includes any agency of the United States or any other government.

(b) "Power equipment" means and includes any piece or pieces of heavy power equipment of the types listed and described in the attached Schedule A.

(c) "Manufacturer" means a person who machines, fabricates, rolls, presses, welds, bolts, or otherwise incorporates steel, copper, or aluminum into finished power equipment.

**SEC. 3. Reports.** Not later than the 15th day of each calendar month every manufacturer shall file with NPA in accordance with the format prescribed by Form NPAF-31 a report for the period therein specified setting forth his power equipment orders on hand, his production and delivery schedules applicable thereto, and such other information respecting power equipment on order or in process as may be called for by said Form NPAF-31. The first such monthly report to be filed hereunder shall be due not later than March 15, 1951.

**SEC. 4. Modification of production and delivery schedules.** With respect to the production and delivery of power equipment, NPA may:

(a) Direct the return or cancellation of any order on the books of a manufacturer;

(b) Direct changes in the production or delivery schedules of a manufacturer, requiring him to fill orders in such sequence as it may determine;

(c) Allocate orders placed with any manufacturer to another manufacturer or manufacturers;

(d) Take such other action as it deems necessary concerning the placing of orders for power equipment or parts thereof or concerning the production or delivery of power equipment or parts thereof.

**SEC. 5. Defense requirements paramount.** Allocations and directions hereunder will be made by NPA so as to insure satisfaction of all defense requirements of the United States; both direct and indirect, and may be made in the discretion of NPA without regard

either to the provisions of NPA Reg. 2 or to the preferences or priorities assigned to particular rated orders.

**SEC. 6. Adherence to production and delivery schedules.** Subject to the provisions of sections 4 and 5 of this order, production and delivery schedules filed pursuant to section 3 of this order shall be deemed to have been approved as filed unless, within 14 days from the date of mailing thereof, as shown by postmark, NPA shall have specifically advised the manufacturer to the contrary. On and after March 16, 1951, each manufacturer shall produce, ship, or deliver power equipment only in accordance with his most recent schedule as the same may have been approved, modified, or altered by NPA, and no manufacturer shall interfere with any schedule so approved, modified, or altered, or disregard the same, by adding, eliminating, displacing, or altering the precedence of any order listed for production or delivery thereon unless he is specifically authorized or directed by NPA so to do.

**SEC. 7. Impossibility or impracticability of adherence.** A manufacturer who for any reason finds it impossible or impracticable to maintain production or delivery of power equipment in accordance with the schedule or schedules so approved, modified, or altered by NPA shall forthwith notify NPA stating the reasons for such impossibility or impracticability.

**SEC. 8. NPA assistance.** In the case of a manufacturer so finding it impossible or impracticable to adhere to a production or delivery schedule, NPA may assist him by such means and to such extent as in its discretion the circumstances require, including the making to him, by directive or otherwise, of such allocation or allocations of steel, copper, or aluminum as it shall consider appropriate.

**SEC. 9. Exemptions.** The provisions of sections 4, 5, and 6 of this order with respect to the production or delivery of power equipment shall not apply to power equipment to be produced or delivered pursuant to an order or orders from a single customer for power equipment or a part or parts thereof having an aggregate fabricated value of \$5,000 or less.

**SEC. 10. Adjustments and exceptions.** Any person affected by any provision of



this order may file with NPA a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry or that its enforcement against him would not be in the interest of the national defense or in the public interest. In considering requests for adjustment claiming that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each such request shall be in writing and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

**SEC. 11. Communications.** All communications concerning this order shall be addressed to National Production Authority, Washington, 25, D. C. Ref.: M-44.

**SEC. 12. Records, audit, inspection, and reports.** (a) Each person participating in any transaction covered by this order shall retain in his possession for at least 2 years records of receipts, deliveries, inventories, and use, and in sufficient detail to permit an audit that determines for each transaction that the provisions of this order have been met. This does not specify any particular accounting method and does not require alteration of the system of records customarily maintained, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals.

(b) All records required by this order shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of NPA.

(c) Persons subject to this order shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act (Pub. Law 831, 77th Cong., 5 U. S. C. 139-139F).

**SEC. 13. Violations.** Any person who wilfully violates any provision of this order or any other order or regulation of NPA or wilfully conceals a material fact or furnishes false information in the course of operation under this order is guilty of a crime and upon conviction may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to suspend his privilege of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

**NOTE:** All reporting and record-keeping requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This order shall take effect on March 5, 1951.

NATIONAL PRODUCTION  
AUTHORITY,

[SEAL] MANLY FLEISCHMANN,  
Administrator.

#### SCHEDULE A

Product	Definition
Steam turbines.....	Steam propelled turbines, either direct-connected or geared, except those designed for aircraft or locomotive use.
Hydraulic turbines.....	Hydraulic and hydroelectric turbines and water wheels.
Internal combustion engines.....	All oil diesel, dual fuel, and spark ignition gas engines for mechanical drive operating at 750 RPM or less.
Steam turbine generator sets.....	Steam propelled turbine generator sets except for aircraft or locomotive use.
Hydraulic turbine generator sets.....	Hydraulic (water) turbine driven generator sets.
Engine driven generator sets.....	All oil diesel, dual fuel, and spark ignition gas engine generator sets operating at 750 RPM or less.
Electric generators.....	Generators designed to be driven by diesel or gas engines operating at 750 RPM or less and generators designed to be driven by steam or hydroelectric turbines.
Steam boilers.....	Steam boilers designed for a pressure of more than 100 pounds per square inch gage, and with a heating surface of 500 square feet or more, exclusive of those for locomotive use, including the following auxiliaries when built by the manufacturer reporting and when used as part of the complete generating unit: Superheaters, reheaters, desuperheaters, water walls, oil burners, gas burners, pulverized coal burners, economizers, air preheaters, and flues and ducts.
Coal pulverizers.....	Pulverizers and related combustion equipment installed for the primary purpose of pulverizing solid fuel for firing any type of furnace, excluding those for locomotive use.
Steam condensers.....	Steam condensers of the surface, jet, or barometric type, inter and after condensers and steam jet air ejectors, or any combination thereof designed for use in the generation of power, not including those for locomotive use. Steam condensers means any steam condenser which uses water as a circulating medium, designed to condense exhaust steam from a prime mover or from jets of a steam jet air pump.
Oil circuit breakers.....	Oil circuit breakers except type AB, ET, or similar.
Air circuit breakers.....	Air circuit breakers including all equipment for control and protection of apparatus used for power generation, conversion transmission and distribution including disconnecting switches, buss supports, fittings, associated inter-connections and supporting structures; busses and buss structures 2,200 volts and above, cutouts, power fuses and current limiting resistors.
Power switchgear.....	Metal enclosed switchgear containing oil circuit breakers 2,200 volts and higher, or air circuit breakers except type AB, ET, or similar and power switchboards.
Metal clad switchgear.....	Liquid-filled and dry type transformers with a capacity of 501 kva and larger designed for single phase and multiple phase operation above 15 kv.
Transformers.....	

[F. R. Doc. 51-3022; Filed, Mar. 5, 1951; 11:15 a. m.]

## Chapter XV—Federal Reserve System

[Regulation X]

### REG. X—REAL ESTATE CREDIT

#### DEFENSE CONSTRUCTION

1. Effective March 5, 1951, Regulation X is amended by adding the following paragraph (p) to section 6:

(p) *Defense construction.* Terms different from those prescribed by this regulation and the supplement thereto, to be applicable to specific new construction necessary to the national defense, may be authorized by the Board in areas designated by the Housing and Home Finance Administrator with the concurrence of the Board and after surveys have been made by the Administrator with respect to the needs for such necessary construction within such areas. Such different terms when so authorized will be applicable only to such new construction as may be specified by the Administrator within such designated areas,

and will be subject to such conditions as may be prescribed.

2. a. The above amendment is issued by the Board of Governors of the Federal Reserve System with the concurrence of the Housing and Home Finance Administrator, under authority of the "Defense Production Act of 1950", approved September 8, 1950, and Executive Order No. 10161, dated September 9, 1950.

The purpose of this amendment is to provide for some relaxation of the terms of the regulation with respect to specified construction necessary for the national defense in certain designated areas.

b. Section 709 of the Defense Production Act of 1950 provides that the functions exercised under such act shall be excluded from the operations of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of section 3 thereof.

In amending this regulation and in accordance with the requirements of the aforesaid section 709, there has been

consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations.

(Sec. 704, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105. Interpret or apply sec. 602, Pub. Law 774, 81st Cong.)

BOARD OF GOVERNORS OF  
THE FEDERAL RESERVE  
SYSTEM,

[SEAL] S. R. CARPENTER,  
Secretary.

[F. R. Doc. 51-3003; Filed, Mar. 2, 1951;  
5:05 p. m.]

## TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

### Chapter I—Veterans' Administration

#### PART 3—VETERANS CLAIMS

#### MISCELLANEOUS AMENDMENTS

1. In § 3.50, paragraph (g) is amended to read as follows:



**§ 3.50 Proof of marriage. \* \* \***

(g) The termination of all prior marriages of each party is to be shown by duly certified copies of final decrees of divorce or annulment, duly certified abstracts thereof (specifically reciting the effect of the judgment), or by proof of death as provided in § 3.55.

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. and Supp. 11a, 426, 707)

2. Section 3.267 is amended to read as follows:

**§ 3.267 Resumption of awards discontinued under section 1, Public Law 662, 79th Congress.** Where payments to or in behalf of an incompetent beneficiary have been discontinued pursuant to the provisions of § 3.255 (b), the award will not be reopened unless and until an accounting is received disclosing that the estate is reduced to \$500 or less, whereupon payments at the rate provided in § 3.255 (a) will be resumed effective as of the first of the month in which the notice is received: *Provided*, That if the disabled person is discharged from the institution before the estate is reduced to \$500, or it is determined that he has a dependent or dependents, or for any other reason does not meet the requirements of section 1, Public Law 662, 79th Congress, the award will be reopened in accordance with the facts found to exist. In the computation of the \$1,500 limitation, there will be included money belonging to the disabled person in "Funds Due Incompetent Beneficiaries," in the possession of his fiduciary, if there is one, and/or in the possession of the chief officer of the institution. In the computation of either the \$1,500 or the \$500 limitation, the money withheld pursuant to Public Law 662, 79th Congress, will not be included.

(Sec. 5, 43 Stat. 603, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. and Supp. 11a, 426, 707. Interpret or apply sec. 1, 60 Stat. 908; 38 U. S. C. 739)

This regulation is effective March 6, 1951.

[SEAL] O. W. CLARK,  
Deputy Administrator.

[F. R. Doc. 51-2884; Filed, Mar. 5, 1951;  
8:45 a. m.]

## TITLE 47—TELECOMMUNICATION

### Chapter I—Federal Communications Commission

[Docket No. 9749]

#### PART 20—DISASTER COMMUNICATIONS SERVICE

##### REPORT AND ORDER OF THE COMMISSION

In the report of proposed frequency allocations below 25,000 kilocycles (Docket 6651) of May 21, 1945, the Commission expressed the intention of providing frequencies in the band 1750-1800 kilocycles for a Disaster Communications Service. Thereafter, in making frequency allocations (see table of frequency allocations, Part 2) the frequency

band 1750-1800 kilocycles was allocated to fixed, mobile, and temporarily radio location services subject to the condition that when regulations for a Disaster Communications Service were provided, that service should take precedence over any other operation in this band for the handling of emergency communications in times of disaster. In planning for the service an informal conference was held in the Commission's offices during the period June 5 and 6, 1950, among representatives of the Commission, several departments of Federal government, interested national and State relief organizations, and individuals to discuss implementation of the allocation to Disaster Communications Service by adoption of suitable rules and regulations. The Disaster Communications Service was and is intended to provide essential communications (when normal communication facilities are impaired, inoperative, or unavailable) for use in connection with disasters or occurrences of such nature as to involve safety of any group of individuals in a large area or in a small isolated area when emergencies arise by reason of occurrences such as flood, earthquake, hurricane, explosion, or the consequence of armed attack. The allocation as originally made and the rules written pursuant thereto provide, primarily, for peace-time disaster communication, but do not preclude use of the service incidental to a war-time emergency.

Pursuant to the requirements of section 4 (a) of the Administrative Procedure Act, the Commission released a general Notice of Proposed Rule Making which set forth rules to establish and govern the Disaster Communications Service with provision for the submission of written comments by interested parties. This notice was duly published in the FEDERAL REGISTER on August 10, 1950. Since frequencies in the band 1750-1800 kilocycles are allocated for use in the Disaster Communications Service by departments of federal government as well as non-government organizations, it was necessary to coordinate the proposed use of the frequencies with the departments of federal government concerned. For this purpose and to reach an understanding of the possible extent and manner of use of the Disaster Communications Service by federal agencies, several informal conferences were held. Because the interested agencies included branches of the armed services, for security reasons, public announcement of the conferences was not made and only representatives of the interested agencies attended.

Following publication of the proposed rules, comments were filed by some forty-one individuals and local, regional, or national organizations, and by twelve agencies of federal government. Included among these interested parties were several radio amateurs and amateur associations, licensees of broadcast radio stations, local relief agencies, the American National Red Cross, police associations, fire associations, and other persons and organizations interested in rendering communications and relief service in the event of a disaster. These comments were unanimously in favor of

adoption of the proposed rules and many constructive suggestions were made which were incorporated in whole or in part in the rules. However, after careful consideration and study, some of the suggestions were determined to be unsuitable and they were rejected.

Changes made in the rules, after study of the comments filed, include relaxation of tolerance from 0.005 percent to 0.015 percent, provision for one additional radiotelephone channel with resulting decrease in radiotelegraph channels, and deletion of the proposed table of attenuation of harmonics and spurious emissions. The definition of "disaster" was expanded to encompass train or airplane wrecks. The definition of "competent local authority" was enlarged to include civil defense officials. Rules which prescribed operating procedures and priority of messages were amended leaving this to the discretion of activating or controlling authority. Provision was made for integration of local networks with regional systems and for the use of repeaters and automatic signaling devices. Editorial revisions were made in the text of the rules and in the application form designed for use in this service. All changes conform to the basic purpose of the proposed rules.

Several suggestions made by the American National Red Cross were incorporated into the final rules. These included liberalization of the definition of disaster to include occurrences which affect a small segment of the public. The suggestion that the rules be liberalized with respect to use of the scene of disaster frequency was followed. Also, at the suggestion of the Red Cross, the rules were changed to provide less rigid operating procedure.

Other suggestions made and incorporated in whole or in part in the rules were that the matter of priority of messages on disaster networks be left to the discretion of the activating or controlling authority rather than being specified in the rules; that the definition of disaster networks include regional or higher coordinated communications rather than be limited to local communications, and that it be indicated, clearly, that the Commission's rules do not prescribe radio operator requirements for United States Government radio stations. Pursuant to the suggestion of the International Municipal Signal Association, Inc., that coverage of some areas may require the relay of messages, provision was made for use of unattended repeater stations and for the use of automatic signalling, calling, or alerting devices.

The suggestion that the rules should provide for or designate a recognized head to coordinate the activities of various disaster networks was given careful consideration. However, it appears that since the nature of an emergency or disaster and the area in which it may occur are unpredictable, to designate specific classes of persons to coordinate communications networks appears to be unnecessarily restrictive. It was also suggested that civil defense organizations should be made responsible for coordinating the use of the Disaster Communications Service. However, although the Disaster Communications



Service would be available for use of civil defense organizations and finalization of the rules has come at a time when civil defense is a primary national consideration, the service is not intended as a special wartime measure but as a permanent vehicle to provide communications in all types of disasters. The specialized needs of civil defense are being considered separately and are expected to be separately provided for.

Several interested parties who individually are either licensees of or have an interest in stations operating in established services such as broadcast and taxicab recommended that the Disaster Communications Service rules be amended to permit use of stations in other services to handle disaster communications on frequencies assigned to the respective stations for drill purposes and for communication with other stations in times of actual emergency. For the most part, rules governing the various services provide for such communication in times of actual emergencies and amendment of the various rule parts to permit such drills is under study. Hence, such suggestions are not properly a part of this proceeding.

The suggestion that the requirements for frequency channeling and types of emission probably would vary from one locality to another, that in some communities only voice communications could be utilized due to lack of trained operators, and that the proposed channeling is not sufficiently flexible to meet this situation was also carefully studied. Since station equipment and licenses will be obtained prior to the occurrence of any incident requiring use of the stations, the licensee should be able to determine the feasibility of using voice or radiotelegraph emission, to take inventory of available operators in the area to be provided for, and to know in advance which type of emission could best be used. It further appears that to permit use of both types of emission on all frequencies could be expected to result in interference among networks in adjacent areas, and for this reason the suggestion was not adopted.

It appears that the suggestion that the Disaster Communications Service be restricted to Continental United States and some other provision be made for Disaster Communications in Alaska was made because the Civil Aeronautics Administration and the U. S. Weather Bureau operate a network of aeronautical and weather communications in Alaska on the frequency 1790 kc. An examination of the allocation of the frequency band 1750-1800 kc. reveals that the only permanent allocation of this band was made to the Disaster Communications Service. The only provision made in the Commission's allocation for use of these frequencies by government stations is in the allocation table where note 1 describes persons who are eligible to operate in the Disaster Communications Service as "amateurs and other non-government and government groups". It further appears that the frequency 1790 kc. was assigned to the mentioned government stations on the

specific condition that it was not to be a bar to or prejudice the implementation of the Disaster Communications Service in the United States and territories. Since the only frequencies available for the Disaster Communications Service are in the band 1750-1800 kilocycles, Alaska would be deprived of the use of that service at a critical time if this request were granted. Therefore, applicability of the rules was not limited to Continental United States but the service is available in the territories and possessions as well.

The Central Committee on Radio Facilities of the American Petroleum Institute, while expressing approval of the proposed Disaster Communications Service, requested that the frequencies 1750-1800 kc. be shared with the Radiolocation Service. At the present time, the Radiolocation Service is authorized to use frequencies in this band for certain limited purposes on a temporary basis and on the basis of non-interference to the Disaster Communications Service. Such information as is presently available to the Commission regarding the nature and scope of currently permitted radiolocation operations in this band indicates that it may be feasible to establish an appropriate method whereby the Disaster Communications Service and the Radiolocation Service may share the use of this band other than during times of emergency when, of course, the Disaster Communications Service must necessarily continue to have absolute priority. Accordingly, the Commission is giving this matter its further consideration.

Other suggestions not incorporated into the rules were that portions of the amateur frequency bands be made available to the Disaster Communications Service; that, to avoid sabotage, the names of licensees and locations of stations in this service be classified as confidential and not made public, and that certain amateur stations be selected to operate on police frequencies in the police service in emergencies. Because, as heretofore stated, the Disaster Communications Service is not intended primarily as a Civil Defense service, these suggestions are not considered relevant to these proceedings.

No request for oral argument or for hearing was made by any interested party, and the suggestions not adopted do not appear to present important issues of fact concerning the proposed rules which would warrant the holding of oral argument or a hearing.

In view of the foregoing considerations and determinations, the Commission finds that the public interest, convenience, and necessity will be served by adoption of the rules herein ordered. Accordingly, pursuant to the authority of sections 4 (1), 301, and 303 of the Communications Act of 1934, as amended: *It is ordered*, This 21st day of February 1951, that Part 20, "Disaster Communications Service," together with FCC Form No. 525<sup>1</sup> thereto appended, be and it hereby is adopted as set forth below. *It is further ordered*, That the said Part 20 and

<sup>1</sup> Filed as part of the original document.

form shall become effective March 21, 1951.

Adopted: February 21, 1951.

Released: February 26, 1951.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

## PART 20—DISASTER COMMUNICATIONS SERVICE

### SUBPART A—GENERAL INFORMATION

- 20.1 Basis and purpose.
- 20.2 Disaster defined.
- 20.3 Disaster station defined.
- 20.4 Associated station defined.
- 20.5 Portable station defined.
- 20.6 Disaster communications defined.
- 20.7 Competent local authority defined.

### SUBPART B—STATION LICENSE OR AUTHORIZATION

- 20.11 Eligibility.
- 20.12 Organization of networks.
- 20.13 Application for construction permit and license.
- 20.14 Limitation on antenna structures.
- 20.15 License term.

### SUBPART C—USE OF STATIONS

- 20.21 Activation of stations.
- 20.22 Points of communication.
- 20.23 Limitations on use.
- 20.24 Permissible communications.
- 20.25 Station identification.
- 20.26 Radio station log.

### SUBPART D—OPERATING REQUIREMENTS

- 20.31 Assigned frequencies and authorized emissions.
- 20.32 Transmitting power.
- 20.33 Equipment requirements.
- 20.34 Operator requirements.
- 20.35 Availability of station and operator licenses.

AUTHORITY: §§ 20.1 to 20.35 issued under sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies sec. 301, 48 Stat. 1081; 47 U. S. C. 301.

### SUBPART A—GENERAL INFORMATION

§ 20.1 *Basis and purpose.* (a) The basis of this part is the Communications Act of 1934, as amended, and applicable treaties and agreements to which the United States is a party. This part is issued pursuant to authority contained in Title III of the Communications Act of 1934, as amended, which vests authority in the Federal Communications Commission to regulate radio transmissions and to issue licenses for radio stations.

(b) The purpose of this part is to provide for the licensing or authorizing of radio stations to provide essential communications incident to or in connection with disasters or other incidents which involve loss of communication facilities normally available or which require the temporary establishment of communication facilities beyond those normally available.

§ 20.2 *Disaster defined.* As used in this part, the terms "disaster" or "disaster or other incident" are defined as meaning an occurrence of such nature as to involve the health or safety of a community or larger area, or the health or safety of any group of individuals in an isolated area to whom no normal means of communications are available, and include, but are not limited to,



floods, earthquakes, hurricanes, explosions, aircraft or train wrecks, and consequences of armed attack.

**§ 20.3 Disaster station defined.** A disaster station is defined as any government or non-government radio station able to function as a fixed, land, or mobile station and authorized, if government, by its controlling federal government agency or licensed, if non-government, by the Federal Communications Commission to operate in the Disaster Communications Service. A single disaster station may consist of more than one unit, each capable of being operated independently as a fixed, land, or mobile station.

**§ 20.4 Associated station defined.** For the purposes of this part, a disaster station is considered to be associated with a licensed station in some other service when both stations are licensed to the same licensee at the same location and both stations are included in at least one coordinated disaster communications plan of the area concerned. A portable station or a mobile station in the Disaster Communications Service will be considered to be associated with the station in the other service which is located at its base of operations.

**§ 20.5 Portable station defined.** For the purposes of this part, a portable station is defined as a land station in the Disaster Communications Service which is capable of being moved from place to place and is in fact, from time to time, moved to and operated at unspecified fixed locations for the purpose of communicating with other fixed, land, or mobile stations.

**§ 20.6 Disaster communications defined.** Disaster communications are defined as:

(a) Communications essential to the establishment and maintenance of communication channels to be used in connection with disasters or other incidents involving loss of communications facilities normally available or which demand the temporary establishment of communications facilities beyond those normally available, including communications necessary or incidental to drills and simulated disaster relief activity on the part of persons or organizations participating in the use of such communication channels; or

(b) Communications or signals essential to the public welfare, or that of any segment of the public, including communications directly concerning safety of life, preservation of property, maintenance of law and order, and alleviation of human suffering and need, in the case of any actual or imminent disaster or other such incident.

**§ 20.7 Competent local authority defined.** For the purposes of this part, competent local authority is defined as meaning that authority within a community or larger area which is so

<sup>1</sup>Duly designated civil defense officials will be considered competent local authority in the organization or operation of disaster communications radio networks and stations, and in the coordination of disaster communications plans.

designated in the coordinated disaster communications plan for the area concerned, including any alternate authority who may be so designated in such plan. In the absence of the specifically designated authority, the individual in charge of the net control station, or his representative, for the organized disaster station network established in accordance with the coordinated disaster communications plan, shall be considered as competent authority for the activation of the stations of that network.

#### SUBPART B—STATION LICENSE OR AUTHORIZATION

**§ 20.11 Eligibility.** (a) A license for a station to be operated in the Disaster Communications Service may be granted to any person eligible to hold a station license under the provisions of the Communications Act of 1934, as amended: *Provided*, That the station or proposed station is shown to constitute an element of a bona fide disaster communications network organized or to be organized and operated in accordance with a locally or regionally coordinated disaster communications plan under responsible leadership and direction.<sup>1</sup>

(b) Authorization for a United States Government station to operate in the Disaster Communications Service will be granted by the appropriate United States Government agency controlling that station.

#### § 20.12 Organization of networks.

(a) Local disaster communications networks may be organized by any responsible local group or groups that may be in a position to provide such service. In any particular area there may be several such networks and each network may be independent of the others. Whenever there is more than one network in the same area, however, they must all share the available frequencies in an efficient and orderly manner, under a single coordinated disaster communications plan. Any particular network shall be organized and set up along such lines and in accordance with such disaster communications plan that an inspection of the written records of the network will show that there is in fact a local disaster network of definitely identified stations with appropriate and responsible leadership and rules for self government that provide for an orderly and efficient service. The various networks in adjacent areas shall establish proper liaison arrangements, which will become a part of their respective disaster communications plans, to provide for efficient use of the available frequencies and that, in case of need, communications may be handled on an inter-area basis.

(b) Each disaster communications network shall establish a basic operating procedure for the type or types of transmission to be employed; which operating procedure shall be based on a generally understood procedure in common use in other services for the types of communications and the types of transmissions to be employed.

**§ 20.13 Application for construction permit and license.** (a) Application for construction permit and new license for a station to be operated in the Disaster

Communications Service shall be submitted on FCC Form No. 525, signed by the applicant, and countersigned by the competent local authority in charge of the disaster communications network in which the station is, primarily, intended to be operated. To facilitate a determination of eligibility, such application shall be accompanied by a statement describing in detail the purpose of the proposed station which shall include a copy of the locally coordinated disaster communications plan under which the station is intended to be operated unless such information has already been submitted to the Commission, in which case the application shall clearly identify that plan and the competent local authority under whose direction the station is proposed to be operated. In cases where a description of the station's antenna is required to be submitted on FCC Form No. 401-A, in accordance with the provisions of § 20.14, such form shall be submitted concurrently with the application for construction permit and license.

(b) Unless otherwise directed by the Commission, application for modification of station license in the Disaster Communications Service shall be submitted on FCC Form No. 525 in the same manner as application for construction permit and new license, whenever the license or the basic location of a licensed station is proposed to be changed.

(c) Unless otherwise directed by the Commission, application for renewal of station license in the Disaster Communications Service shall be submitted on FCC Form No. 525 at least 60 days prior to the date of expiration of the license sought to be renewed.

**§ 20.14 Limitation on antenna structures.** (a) No new antenna or antenna structure shall be erected for use by any station licensed or proposed to be licensed in the Disaster Communications Service, and no change shall be made in any existing antenna or antenna structure for use or intended to be used by any station licensed or proposed to be licensed in the Disaster Communications Service so as to increase its over-all height above ground level, without prior approval from the Commission in any case when either (1) the antenna supporting structure and/or the antenna proposed to be erected will exceed an over-all height of 170 feet above ground level, or (2) the antenna supporting structure and/or the antenna proposed to be erected will exceed an over-all height of one foot above ground level for each 200 feet of distance, or fraction thereof, from the nearest boundary of any aircraft landing area. Application for Commission approval in such cases shall be submitted on FCC Form 401-A (revised).

(b) For the purpose of this section an aircraft landing area is defined, in accordance with the provisions of Part 17 of this chapter, as any locality, either land or water, including airports and intermediate landing fields, which is used, or approved for use, for the landing and take off aircraft, whether or not facilities are provided for the shelter, servicing or repair of aircraft, or for the



receiving or discharging of passengers or cargo.

(c) In cases where an FCC Form 401-A is required to be filed, further details as to whether an aeronautical study and/or obstruction marking may be required, as well as specifications for obstruction marking when required, may be obtained from Part 17 of this chapter, "Construction, Marking, and Lighting of Antenna Towers and Supporting Structures." Information regarding requirements as to inspection of obstruction marking, recording of information regarding such inspections, and maintenance of antenna structures is also contained in Part 17 of this chapter.

§ 20.15 *License term.* A license to operate a radio station in the Disaster Communications Service will be issued for a term of from one to five years from the effective date of grant as the Commission may determine in each case to permit the orderly scheduling of renewals, and for a renewal term of four years from the effective date of renewal.

#### SUBPART C—USE OF STATIONS

§ 20.21 *Activation of stations.* (a) All stations in the Disaster Communications Service are authorized to be operated on the frequencies and with the types of emission specified by this part only when competent local authority either (1) determines that an impending or actual disaster or other such incident warrants their activation, or (2) schedules training operations, practice drills or tests to keep the networks and associated stations alert and efficient.

(b) Except during scheduled training operations, practice drills or tests, the scene of disaster frequency shall be used only (1) by the station or stations actually located in the disaster area and those stations with which the station or stations actually in such disaster area are in direct communication, or (2) as a notification frequency, for the transmission of any authorized emission including automatic alarm signals, when a disaster is imminent or has occurred, or (3) in an impending disaster situation, as a calling frequency for preliminary contacts in establishing or alerting nets, or (4) as a calling frequency for non-net stations seeking contact with the control station of a net for disaster-related communications.

(c) Nothing in this section shall be deemed to prevent any radio station from operating on the scene of disaster frequency, using such equipment and such power as may be available or necessary, and communicating in accordance with the provisions of paragraph (b) of this section at any time the safety of life or property within the area of responsibility of that station is in danger as a result of an impending or actual disaster or other such incident.

§ 20.22 *Points of communications.* All stations in the Disaster Communications Service, when activated in accordance with the provisions of § 20.11, are authorized to communicate with each other, with stations in the Amateur Radio Service, and with stations of the United States Government which are au-

thorized by their controlling federal government agencies to communicate with stations in the Disaster Communications Service; and are further authorized to communicate with any station in any service licensed by the Federal Communications Commission whenever such station is authorized to communicate with stations in the Disaster Communications Service by the provisions of the Commission's rules governing the class of station concerned or in accordance with the provisions of § 2.405 of this chapter.

§ 20.23 *Limitations on use.* (a) Stations operating in the Disaster Communications Service are authorized to transmit and to receive only those types of communications set forth in § 20.24 for:

(1) Liaison purposes for the coordination of the activities of various local or larger mutual aid organizations, between established individual or network stations authorized to operate in other services and engaged in disaster communications on their own regularly assigned service frequencies; or

(2) Direct operation as a part of a disaster communications network established for the purpose of providing disaster communications for an organization or organizations having no other frequencies available or none satisfactory for the distances or locations to be covered.

(b) Stations operating in the Disaster Communications Service are authorized to retransmit, by automatic means, authorized disaster communications being transmitted by other stations of the same disaster communications network, and to originate and transmit, by automatic means, distinctive signals, on the scene of disaster frequency only, for the alerting of the disaster communications network and/or for the actuation of selective signaling, calling or alerting devices: *Provided*, That when such automatic transmission or retransmission is employed, such stations shall not emit radio-frequency energy except when actually transmitting authorized disaster communications.

(c) Nothing in this section shall be construed to prevent the operation of a station in the Disaster Communications Service for the purpose of brief tests or adjustments during or coincident with the installation, servicing or maintenance of such station: *Provided*, That the transmissions of that station during such tests or adjustments shall not cause harmful interference to the conduct of communications by any other station.

(d) A station in the Disaster Communications Service shall not be used to transmit or to receive messages for hire, nor for communications for material compensation, direct or indirect, paid or promised.

§ 20.24 *Permissible communications.* Stations in the Disaster Communications Service are authorized to transmit and to receive only the following types of disaster communications:

(a) Communications when there is no impending or actual disaster:

(1) Necessary drills and tests to insure the establishment and maintenance of

efficient networks of stations in the Disaster Communications Service and other authorized services. These drills and tests may include the prearranged exchange of communications by stations of established networks with stations outside any established network where the purpose of such exchange is to provide training and practice in the establishment and maintenance of liaison and coordination between such networks and non-network stations. Such drills and tests shall not be permitted, in any way, to interfere with communications in connection with any actual or impending disaster or other such incident.

(b) Communications when there is an impending or actual disaster:

(1) Communications directly concerning:

(i) The activation of a disaster network, or

(ii) The establishment and maintenance of liaison and coordination between:

(a) The stations of one network and the stations of any other network, or

(b) Any network station and any non-network station of any agency possessed of its own system of radiocommunication which is actually engaged in averting or overcoming the effects of the disaster, or

(c) Any non-network station of one agency possessed of its own system of radiocommunication which is actually engaged in averting or overcoming the effects of the disaster and any non-network station of any other agency possessed of its own system of radiocommunication which is actually engaged in averting or overcoming the effects of the disaster.

(2) Communications directly concerning the conduct of service by an activated disaster network.

(3) Communications directly concerning safety of life, preservation of property, maintenance of law and order, and alleviation of human suffering and need by authorized government and relief agencies.

(4) Communications directly concerning the accumulation and dissemination of public information regarding safety of life, preservation of property, maintenance of law and order, or alleviation of human suffering and need by authorized government or relief agencies.

(5) Communications directly concerning the transaction of business essential to the public welfare.

(6) Communications concerning personal matters of individuals directly affected by the disaster.

(c) The order of priority of communications when there is an impending or actual disaster shall be as determined by the competent local authority activating the station or network, or his authorized representative.

§ 20.25 *Station identification.*—(a) *Call signs.* Disaster stations licensed by the Commission will be assigned distinctive call signs, consisting of four letters and one digit, in accordance with the table of geographical assignment of call signs contained in § 2.303 of this chapter. Stations of the United States Government authorized to operate in the Disaster Communications Service will be



assigned appropriate call signs by their cognizant United States Government agencies from the call signs available to such agencies.

(b) *Use of call signs*—(1) *Radiotelegraph*. When transmitting by radiotelegraphy, each disaster station shall transmit the call sign of the station being called followed by its own call sign at the beginning of each series of communications with the called station, at least once each fifteen minutes of such operation, and when terminating communications with the called station. One-way transmissions intended for several stations shall be identified in the same manner except that a general call may be used in place of the call signs of the several stations intended to receive the transmissions. Test transmissions of a station making adjustments shall be identified by the transmission of the station call sign at the beginning and end of the test period and at least each 30 seconds during such period.

(2) *Radiotelephone*. When transmitting by radiotelephony, each disaster station shall identify itself and the station or stations being called in the same manner prescribed in this section for identification during radiotelegraph transmissions, except that, if there is no possibility of confusion, the name, location, or other designation of the station may be used in lieu of the call sign when that name, location, or other designation is the same as that of an associated station in some other service and is authorized to be used by such associated station when identifying itself on its regularly assigned frequencies.

(3) *Multiple units*. When two or more separate units of a station are operated at different locations, each unit shall separately identify itself by the addition of a unit name, number or other designation at the end of its call sign or other authorized means of identification. When transmitting by radiotelegraphy, such additional identification shall be separated from the call sign by use of the "slant" or fraction bar.

(4) *Additional identifications*. A list of all general or collective call signs, unit designators, and other authorized substitutes for or additions to assigned call signs used in each disaster station network shall be maintained at the control station of such network, and shall be made available for inspection upon reasonable request from any authorized representative of the federal government.

(c) *Automatic operation*. Stations which are entirely automatic in their operation, including automatic modulation of the carrier, shall be exempt from the requirements of paragraph (b) of this section.

§ 20.26 *Radio station log*. (a) The licensee of each radio station licensed in the Disaster Communications Service shall keep an accurate log of all operations in the 1750-1800 kc. band, which shall include the following:

(1) Name and address of the disaster station licensee, station call sign used in the disaster communications service,

date of expiration of the disaster station license, and d. c. plate power input to the vacuum tube or tubes supplying energy to the transmitting antenna system. This information need be entered only once in the log unless there is a change in any of the above items. Each change shall be entered with the date the change is made.

(2) Date and time of beginning and end of each period during which the disaster station is operated.

(3) Signature of each licensed operator who manipulates the key of a manually operated radiotelegraph transmitter or the signature of each licensed operator who operates a transmitter using any other type of emission, and the name (or signature) of any person not holding an operator license who transmits by voice over the facilities of that station other than by automatic relay of the signal of another station or stations. The signature of the operator shall be entered with the date and time at both the beginning and the end of each period during which he is manning the controls of the disaster station and at least once on each page additional to the first page covering the period for which he is the responsible operator. The signature of any additional operator who operates the station during the regular watch of another operator shall be entered in the proper space for that additional operator's transmissions.

(4) Upon the completion of each period of operation for drill, training, liaison or test purposes and each period of operation in connection with an impending or actual disaster, there shall be entered in the log a summary of such operation describing its nature and giving pertinent details.

(5) There shall be no erasures, obliterations or destruction of any part of the disaster station log. Corrections shall be made by striking out erroneous portions and initialing and dating the correction.

(b) The current portion of the log of a licensed disaster station shall be kept at the location of the control position of such station. Other portions of the log shall be retained by the licensee for a period of at least one year, at such place as he may deem appropriate and advisable: *Provided*, That the log of a disaster station shall be made available for inspection upon reasonable request by any authorized representative of the federal government; *And provided further*, That those portions of any disaster station log covering operation of such station in connection with any actual disaster shall not be destroyed unless prior approval for such destruction shall have been received from the Commission.

#### SUBPART D—OPERATING REQUIREMENTS

§ 20.31 *Assigned frequencies and authorized emissions*. (a) The following frequencies in the frequency band 1750-1800 kc. are assigned, on a nonexclusive basis, to all stations in the Disaster Communications Service. The selection and use of these frequencies shall be in accordance with a coordinated local area and adjacent area disaster communica-

tions plan<sup>1</sup> the specific types of emission herein indicated and the other applicable provisions of this part:

Channel No.	Channel width	Assigned frequency	Authorized emission
(1) Radiotelegraph channels			
1-----	1 kc.	1750.5 kc.	0.5 A1
2-----	1 kc.	1751.5 kc.	0.5 A1
3-----	1 kc.	1752.5 kc.	0.5 A1
4-----	1 kc.	1753.5 kc.	0.5 A1
5-----	1 kc.	1754.5 kc.	0.5 A1
6-----	1 kc.	1755.5 kc.	0.5 A1
7-----	1 kc.	1756.5 kc.	0.5 A1
8-----	1 kc.	1757.5 kc.	0.5 A1
(2) Scene of Disaster channel			
9-----	7 kc.	1761.5 kc.	0.5 A1, 2.5 A2, or 6 A3
(3) Radiotelephone channels			
10-----	7 kc.	1768.5 kc.	6 A3
11-----	7 kc.	1775.5 kc.	6 A3
12-----	7 kc.	1782.5 kc.	6 A3
13-----	7 kc.	1789.5 kc.	6 A3
14-----	7 kc.	1796.5 kc.	6 A3

(b) In the foregoing table, a figure specifying the maximum authorized bandwidth in kilocycles to be occupied by the emission is shown as a prefix to the authorized emission classification. The specified bandwidth shall contain those frequencies upon which a total of 99 percent of the radiated power appears, and shall include any discrete frequency upon which the power is at least 0.25 percent of the total radiated power. Any radiation in excess of the limits specified is considered to be an unauthorized emission.

(c) When an unauthorized emission results in harmful interference, the Commission may, in its discretion, require appropriate technical changes in equipment to alleviate the interference.

§ 20.32 *Transmitting power*. The transmitting equipment of a radio station in the Disaster Communications Service shall be adjusted in such a manner as to produce the minimum radiation necessary to carry out the communications desired when such station is operating in the frequency band 1750-1800 kilocycles. No station in the Disaster Communications Service shall be operated on these frequencies using a direct current plate power input to the vacuum tube or tubes supplying energy to the antenna in excess of 500 watts, except when operating on the scene of disaster frequency in accordance with the provisions of § 20.21 (c).

§ 20.33 *Equipment requirements*. (a) All stations in the Disaster Communications Service, except those intended only for the transmission of an automatic alarm or alerting signal, shall be capable of both transmitting and receiving on the scene of disaster frequency.

(b) The carrier frequency of each licensed station in the Disaster Communications Service shall be maintained within 0.015 percent of the assigned frequency.

<sup>1</sup> Duly designated civil defense officials will be considered competent local authority in the organization or operation of disaster communications radio networks and stations, and in the coordination of disaster communications plans.



(c) When the radio frequency carrier of a station in the Disaster Communications Service is amplitude modulated, such modulation shall not exceed 100 percent on negative peaks.

(d) The licensee of each station in the Disaster Communications Service which is utilized for the transmission of Type A-1 or Type A-3 emission shall use adequately filtered direct-current plate power supply for the transmitter to minimize modulation from that source.

§ 20.34 *Operator requirements.* (a) Except under the conditions specified in paragraph (d) of this section, one or more licensed radio operators of the class or grade specified in paragraph (b) of this section shall be on duty at the place where the transmitting apparatus of each licensed disaster station is located, or at the control position of such station if the control position is located at a place other than the location of the transmitting apparatus, and in actual charge thereof whenever it is being operated for the purpose of transmitting disaster communications, as defined in § 20.6, or is otherwise placed in a condition so as to produce radiation of radio frequency energy. No person shall manipulate the radiotelegraph key of a licensed disaster station for the purpose of manually transmitting radiotelegraph signals except under and in accordance with the authority of an operator license granting appropriate radiotelegraph operating privileges in accordance with the provisions of paragraph (b) of this section.

(b) Disaster stations licensed by the Federal Communications Commission

may be operated, when properly transmitting in accordance with the provisions of this part, by the holders of:

(1) Any amateur radio operator license issued by the Federal Communications Commission which authorizes the holder thereof to operate an amateur radio station in the amateur segments of the 1800-2000 kc. frequency band; or

(2) Any commercial radio operator license issued by the Federal Communications Commission: *Provided*, That the holder of such commercial radio operator license shall perform or be responsible for only those operating duties and responsibilities at a disaster station which he is authorized, under the authority of such license, to perform or be responsible for at some other class of station licensed by the Commission when using the same type of emission and method of operation on a frequency or frequencies below 25 mc.

(c) When a station of the United States Government is authorized by the appropriate United States Government agency concerned to be operated in the Disaster Communications Service, the operator requirements for that station will be determined by the authorizing agency.

(d) Stations which are entirely automatic in their operation, including automatic modulation of the carrier, shall be exempt from the provisions of paragraph (a) of this section during the course of the normal rendition of the service of such stations: *Provided*, That all adjustments or tests during or coincident with the installation, servicing or maintenance of such stations shall be performed only by or under the immedi-

ate supervision and responsibility of a duly licensed operator whose license authorizes him to operate the station under those conditions in accordance with the provisions of paragraph (b) of this section: *And provided further*, That the station shall be so designed and installed as to be inaccessible to unauthorized personnel and incapable of any unauthorized transmission.

§ 20.35 *Availability of station and operator licenses.* (a) The original station license for a station in the Disaster Communications Service, or a photocopy thereof, shall be permanently attached to each transmitter of such station if the transmitter is readily accessible, or permanently posted at the control position of such station if the control position is located at a place other than the location of the transmitter.

(b) The original radio operator license or verification card (FCC Form No. 758-F) of the operator controlling the emissions of a licensed station in the Disaster Communications Service shall be carried on his person or kept immediately available at the place where he is operating the station.

(c) Whenever the original station license is not posted in accordance with the provisions of paragraph (a) of this section, or whenever the original operator license is not readily available at the place where the operator is on duty, such original license shall be made available for inspection upon reasonable request from any authorized representative of the federal government.

[F. R. Doc. 51-2912; Filed, Mar. 5, 1951; 8:52 a. m.]

## PROPOSED RULE MAKING

### DEPARTMENT OF AGRICULTURE

#### Production and Marketing Administration

#### [ 7 CFR, Parts 27, 28 ]

#### COTTON CLASSIFICATION

##### NOTICE OF PROPOSED RULE MAKING

Notice is hereby given under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) that the Department of Agriculture is considering amending paragraphs (e) and (g) of § 27.38 of the regulations dealing with cotton classification (7 CFR 27.38) under the United States Cotton Futures Act, as amended (26 U. S. C. 1920 et seq.), and paragraphs (e) and (g) of § 28.44 of the regulations dealing with cotton classification (7 CFR 28.44) under the United States Cotton Standards Act (7 U. S. C. 51 et seq.), as indicated below.

1. Paragraph (e) of § 27.38 *Terms defined for purposes of classification*, would be amended to read as follows:

(e) *Repacked cotton.* Cotton that is composed of factors', brokers', or other samples, or of loose or miscellaneous lots collected and rebaled, or cotton in a bale which is composed of cotton from two or more smaller bales or parts of bales.

2. Paragraph (g) of § 27.38 would be amended to read as follows:

(g) *Mixed packed cotton.* Cotton in a bale which, in the samples drawn therefrom, shows (1) a difference of three or more grades, or (2) a difference of three or more color gradations, or (3) a difference of two or more grades and two or more color gradations, or (4) a difference in length of staple of one-eighth inch or more.

3. Paragraph (e) of § 28.44 *Terms defined; cotton classification*, would be amended to read as follows:

(e) *Repacked cotton.* Cotton that is composed of factors', brokers', or other samples, or of loose or miscellaneous lots collected and rebaled, or cotton in a bale which is composed of cotton from two or more smaller bales or parts of bales.

4. Paragraph (g) of § 28.44 would be amended to read as follows:

(g) *Mixed packed cotton.* Cotton in a bale which, in the samples drawn therefrom, shows (1) a difference of three or more grades, or (2) a difference of three or more color gradations, or (3) a difference of two or more grades and two or more color gradations, or (4) a

difference in length of staple of one-eighth inch or more.

All persons who desire to submit written data, views, or arguments for consideration in connection with the foregoing proposed amendments should file the same in duplicate with the Director, Cotton Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 20 days after publication of this notice in the FEDERAL REGISTER.

Done at Washington, D. C., this 1st day of March 1951.

[SEAL] CHARLES F. BRANNAN,  
Secretary of Agriculture.

[F. R. Doc. 51-2891; Filed, Mar. 5, 1951; 8:46 a. m.]

#### [ 7 CFR, Part 924 ]

#### HANDLING OF MILK IN DETROIT, MICH., MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Pursuant to the provisions of the Agricultural Marketing Agreement Act of



1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to a proposed marketing agreement and a proposed order, regulating the handling of milk in the Detroit, Michigan, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., not later than the close of business the 20th day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

**Preliminary statement.** A public hearing, on the record of which the proposed marketing agreement and the proposed order were formulated was called by the Production and Marketing Administration, United States Department of Agriculture, following receipt of a petition filed by the Michigan Milk Producers Association, Detroit, Michigan, and was held at Highland Park, Michigan, June 5 through June 16, 1950, pursuant to notice duly published in the FEDERAL REGISTER (15 F. R. 3105, F. R. Dec. 50-4290). The period from June 16, 1950, to August 1, 1950, was reserved for interested parties to file briefs on the record.

The major issues developed at the hearing were concerned with the following matters:

- (1) Whether the handling of milk produced for the Detroit, Michigan, marketing area is in the current of interstate commerce or directly burdens, obstructs, or affects interstate commerce in milk or its products;
- (2) Whether marketing conditions justify the issuance of a milk marketing agreement or order;
- (3) The extent of the marketing area;
- (4) What milk should be covered for pricing purposes;
- (5) The classification of milk;
- (6) The level of class prices to be paid and the methods for determining such prices;
- (7) The type of pool to be used and a base rating system of distributing returns to producers; and
- (8) Administrative provisions.

**Findings and conclusions.** Upon the basis of the evidence adduced at the hearing and on the record thereof, it is hereby found and concluded that:

(1) **Character of commerce.** The handling of milk in the Detroit, Michigan, marketing area is in the current of interstate commerce and directly burdens, obstructs, or affects interstate commerce in the handling of milk and its products.

A total of 64 dairy farms located outside the State of Michigan regularly supply milk to the Detroit market. During the month of April 1950, 45 of these farms located in Ohio and Indiana delivered over a half million pounds of milk to Detroit receiving plants, or at

the rate of over six million pounds per year. Three dairy plants in Indiana and one in Ohio hold permits from the Detroit Department of Health to furnish sweet cream for consumption in Detroit.

During the months of high production, large quantities of Detroit inspected milk produced on dairy farms which supply milk for city consumption in other seasons of the year are diverted to manufacturing plants in Ohio and Indiana. One cooperative in the year of 1948 delivered over 4½ million pounds of such milk to a plant in Indiana. In 1949 movements of milk from the Detroit market to plants in Ohio totaled about 10 million pounds and in the first 5 months of 1950 amounted to over 5 million pounds. There are 36 dairy manufacturing plants located within the Detroit milkshed and purchasing milk from dairy farmers in competition with Detroit milk distributors. Several of these plants also handle surplus milk from the Detroit market. All of these plants manufacture dairy products, and a substantial portion of these products are disposed of in other states. Large quantities of Detroit inspected milk, exceeding 60 million pounds in 1949 and 30 million pounds in the first 5 months of 1950, were moved to certain of these manufacturing plants by one cooperative. Additional large amounts of milk are manufactured in plants operated by milk distributors. This milk is manufactured into evaporated milk, cheese, butter, and nonfat dry milk solids, a large proportion of which is disposed of outside of the State of Michigan.

Milk is distributed on routes operated from Detroit plants in direct competition with milk distributed from Toledo, Ohio, plants in the City of Monroe and at other points. The milksheds of the Detroit and Toledo markets overlap over an area of 4 counties and dairy farmers frequently shift from one market to the other. The Detroit milkshed also overlaps that of Fort Wayne, Indiana, and Cleveland, Ohio.

Milk, cream and dairy products processed in Detroit plants are furnished to interstate carriers for consumption in various states and in Canada. Seven Detroit milk distributing plants have been certified by the U. S. Public Health Service for processing milk and milk products for sale for consumption outside the state at the request of interstate carriers. These carriers include two railroads, the Pullman Company, four airlines and nine steamship companies.

From the foregoing it is evident that a substantial volume of milk in the Detroit, Michigan, market is moved physically in interstate commerce in the form of milk and milk products and that the handling of milk in the market directly burdens, obstructs, or affects interstate commerce in milk or its products.

(2) **Need for an order.** An order regulating the handling of milk in the Detroit, Michigan, marketing area should be issued.

A large proportion of the milk consumed in the Detroit area is marketed by a cooperative association of dairy farmers. A price for milk marketed by the cooperative and used for fluid sales is arrived at for each month by bargain-

ing. A lower price than applies to a small amount of milk in addition to that used for fluid sales and the remainder is sold at the average price paid by certain dairy manufacturing plants.

A number of Detroit milk distributors buy milk from dairy farmers who are not members of a cooperative. The record indicates that this milk is paid for at the average price paid for all milk to cooperative members, or a lower price. By purchasing as close as possible to needs for fluid sales, these distributors are able to buy milk at a considerably lower cost on a utilization basis than that of distributors who buy from the cooperative. This is true because the cooperative and certain distributors who buy milk through the cooperative assume the responsibility of carrying sufficient milk to supply the market in the periods of lowest production. Distributors who do not assume this responsibility are able to buy milk used largely for bottled milk sales at the average price paid to cooperative producers, which average price reflects a large volume of milk at the manufacturing price in the months of high production. This buying advantage has led to lower resale prices, the loss of business by distributors who buy higher cost milk through the cooperative, and demands that the price of milk for fluid use be lowered to cooperative buyers to permit competition with distributors who buy without regard to utilization.

This unstabilizing influence has been greatly aggravated by a widening of the spread between the price of milk for fluid use and the average producer price for all milk. In April 1948 the cooperative price to distributors for milk for fluid use was \$4.90 and the average price paid producers for all milk was \$4.76, a difference of 14 cents. In April 1950 the corresponding prices were \$4.20 and \$3.72 or an advantage of 48 cents to a buyer able to buy milk for fluid sales at the cooperative average price and an even greater advantage in case less than this average price was paid. The price paid for milk used for manufacturing by cooperative buyers was \$4.11 in April 1948, and \$2.88 in April 1950, an increase in the spread between fluid and manufacturing milk prices from 80 cents to \$1.32. This price trend has greatly increased the advantage of distributors who may buy some milk for fluid use at the manufacturing price.

Statements of payments to producers for milk by buyers who do not buy through the cooperative covering several months in 1950 were submitted. One distributor had paid one producer from 35 to 38 cents per hundredweight less than the cooperative average price, another distributor paid from 19 to 34 cents less and a third paid from 34 to 38 cents less. Fall purchases of additional milk by one of these distributors to supplement his supply from producers indicate a fluid milk usage of producer milk above the average of the market.

The price advantage of buyers who do not purchase milk through a cooperative not only has forced cooperative buyers to exert continual pressure for lower prices, but also has encouraged buyers to sever business relations with the cooperative and take advantage of



the lower cost milk available by direct purchase from dairy farmers at the cooperative average price or lower. One handler of a substantial volume of milk has recently taken this step after buying through a cooperative for many years. This trend, if continued, will supplement the pressure for lower prices in bringing about demoralization of the market.

The effect of these conditions in causing market instability is shown in the record of prices and milk supply over the last 3 years. In the 8 month period of June 1947 through February 1948 the Class I price negotiated by the cooperative dropped from \$1.62 above the price paid by manufacturing plants to 71½ cents above. Under pressure of a shortage of milk, this negotiated price then increased to a high of \$2.32 above the manufacturing price in March 1949. Then as the supply of milk in relation to market needs increased steadily, the negotiated price fell to \$1.05 above the manufacturing milk price in May 1950. While these wide price variations were occurring, the supply of milk was first so reduced that an average of 92 percent of producer milk was used in Class I in the months of November 1947 through January 1948 compared with 84 percent in the corresponding period a year earlier. This shortage was followed by relatively high prices and increasing production until during the corresponding months of 1949-50, less than 71 percent of producer milk was disposed of as Class I.

The cooperative has not been able to sell milk even to regular buyers on a complete utilization basis. Only milk used for fluid sales is priced on the basis of utilization and additional milk is classified on a bargained percentage basis without regard to utilization. This lack of complete pricing according to utilization results in differences in costs to the various distributors for milk for uses other than fluid sales which also contributes to market instability.

In the Ann Arbor portion of the area, producers have been unable to sell milk on any utilization plan. A certain price is set by bargaining for milk deliveries up to a "base" established for each producer, and additional deliveries are paid for at the manufacturing milk price. The record indicates that this method of buying results in a lower cost to these distributors for milk for fluid sales than the cost to distributors in other parts of the Detroit area.

Dairy farmers supplying the Detroit area who are not cooperative members, over 2,000 in number, have no facilities for regularly checking the accuracy of weights or butterfat tests of milk sold.

No complete statistics are available as to total sales of milk and milk products in the Detroit market or as to total receipts of milk in the market. Negotiated prices must be fixed without full knowledge of the needs of the market or of the supply of milk available. A marketing order would make available complete and accurate market statistics, provide for payment for milk according to use and for verification by audit of all handlers' utilization of milk, and for the checking of weights and butterfat tests.

A milk marketing order is needed in the Detroit area to establish and maintain orderly marketing and a level of prices which will insure an adequate supply of pure and wholesome milk, and to prevent the development of disorderly and chaotic conditions.

(3) *Extent of the marketing area.* The marketing area should include the cities of Detroit, Dearborn, Ypsilanti, Ann Arbor, Pontiac, Mount Clemens, Marine City, St. Clair and Port Huron and adjacent areas of high population density. This area would cover the territory within the boundaries of 10 townships in St. Clair County, 6 townships in Macomb County, 9 townships in Oakland County, 3 townships in Washtenaw County and all of Wayne County with the exception of 5 townships.

Proponents of the order proposed a considerably larger marketing area covering a number of rural townships and a few additional small towns. Certain milk distributors proposed an extension of the area to the north along the Lake Huron shore, to include Worth and Lexington townships in Sanilac County. Certain distributors objected to including the cities of Ypsilanti and Ann Arbor.

The townships of Lexington and Worth in Sanilac County should not be included in the marketing area. There are no thickly populated areas in these townships except the Lake Huron shore line in the summer season and the small city of Croswell and the village of Lexington. It was not shown that any substantial volume of milk is sold in this area from outside plants, or that a marketing order is needed to promote orderly marketing in this area. There was no showing that orderly marketing of milk in the Detroit area is influenced by milk distribution in these townships. No request was made by dairy farmers supplying milk to this area that it be included in the marketing area.

The cities of Ann Arbor and Ypsilanti and surrounding territory should be included in the marketing area. Milk is distributed from plants in or near these cities, which are located near the thickly populated suburban area west of Detroit, in competition with routes operated from Detroit plants. Because of the wide seasonal variations in milk consumption in these cities due to the large student population, distributors are dependent upon the Detroit market for much of their milk supply. Over 6½ million pounds of milk from Detroit receiving stations was supplied to Ann Arbor distributors in the two years of 1948 and 1949. Milk is purchased by Ann Arbor and Ypsilanti distributors from producers without regard to use and apparently at lower prices than if bought on a use basis at the class prices prevailing in the Detroit market. Attempts by the cooperative to have such purchases made on a use basis have failed. The need for a marketing order to bring about orderly milk marketing seems greater in the Ann Arbor-Ypsilanti area than in other parts of the proposed marketing area.

Rural areas and small towns not near to the large cities should not be included in the marketing area. Thirty-seven additional townships in St. Clair, Ma-

comb, Oakland, Washtenaw, Monroe and Wayne Counties, which are relatively thinly populated and include some 19 small towns and villages, were within the marketing area as proposed by producers. Health regulations with respect to milk in effect in the cities are not applicable in much of this area. It is not considered necessary to include these 37 rural townships in the marketing area to promote orderly marketing of milk in Detroit and nearby cities.

The marketing area as outlined above embraces a contiguous, heavily populated territory served by milk distributors whose routes overlap and intermingle and which constitutes a single milk market, all parts of which are subject to substantially the same conditions and influences. Health regulations with regard to milk are substantially the same in all major municipalities in the area and milk produced on farms approved by the Detroit Health Department is permitted to be sold in all parts of the area. Differences in seasonal consumption in various parts of the area tend to make all of the area dependent on milk produced under Detroit inspection, which is diverted to any part of the area where needed. Failure to include any part of this territory in the marketing area would tend to disrupt orderly milk marketing in the whole area.

(4) *Milk to be priced.* All milk approved by health authorities for regular sale in the marketing area should be priced under the order. A "handler" is defined as the operator of a plant in which milk is processed and from which such milk is disposed of on a route in the marketing area as Class I milk, or a plant which is approved by health authorities of marketing area cities for handling milk for fluid consumption. The handler definition describes the kinds of plants to which farmers deliver milk for fluid uses in the greater Detroit market.

A number of plants disposing of Class I milk on routes in the marketing area receive milk directly from dairy farms. The larger part of the supply, however, is received at country plants and reshipped to city bottling plants. The country plant may be owned and operated by the operator of the city bottling plant or by another person. All of these country plants receive milk only from dairy farms approved by the Detroit Health Department. Receipt of milk from any other source at one of these plants disqualifies the entire plant supply for use in Detroit and other marketing area cities which accept Detroit inspection. By defining a handler as the operator of either an approved country plant or a bottling plant, the handling of all milk regularly approved for consumption in the marketing area is made subject to regulation by the order.

The land boundary of the marketing area extends over 185 miles. A few small milk plants located outside the marketing area dispose of some milk on routes extending into the area. If the amount of such milk is not large, its sale has little or no effect on the marketing of milk in the area. Application of order pricing and payment provisions to these handlers would entail effort and



expense and would not contribute to orderly marketing in the area. Prices appropriate in the marketing area might not be appropriate in the localities where most of the sales of these handlers may be made. It was proposed that handlers operating bottling plants outside the marketing area and disposing of not more than an average of 600 pounds of Class I milk per day in the area in any month be exempt for that month from all except the reporting and auditing provisions of the order. Limitation of the exemption to handlers disposing of not more than 600 pounds of Class I milk in the marketing area daily, less than one economical route, and transferring no milk to other handlers would furnish adequate protection from unfair competition to fully regulated handlers and guard against any threat to orderly milk marketing in the area. It is concluded that such an exemption should be provided.

A cooperative which operates a number of country plants receiving Detroit inspected milk has also arranged by contract for the receiving, weighing and cooling of member milk at certain plants not owned or operated by the cooperative. In each case the contracting plant handles no milk except that handled for the cooperative, and the disposition of such milk is entirely under the direction of the cooperative, in most cases being moved from the receiving plant in trucks owned and operated by the cooperative. Payments to producers for this milk are made at a blend price computed on uses of this and other milk marketed by the cooperative. It was proposed that in such cases the order provide that the milk be considered as received at a plant operated by the cooperative and the cooperative thus be made the handler for such milk.

The order provides for the verification of weights and butterfat tests of producer milk, for auditing of producer payrolls, and for determination of the disposition of producer milk. When producer milk is moved in bulk from the plant to which it is delivered by the producers, the identity of each producer's milk is lost. The person operating the plant where the milk is first received must therefore be responsible for weighing and testing the milk, maintaining records of such weights and tests and also records of the disposition of milk received, and usually records of payments to producers. If such person is not a handler under the order he cannot be held responsible for performing the functions listed above. He need not give the market administrator access to the plant or make available to him records of receipts and disposition of milk or facilities for verifying weights and tests. It appears that the person operating each plant which receives milk from producers must be made a handler if the provisions of the order are to be carried out. If the arrangement between a cooperative and the owner of a plant does not make the cooperative the operator of the plant, then the operator of the plant cannot be relieved of his handler status because of the arrangement. On the other hand, if the arrangement is of such a character as to make the coopera-

tive the operator of the plant, or the part of the plant in which producer milk is received, then no special provision of the order is needed to make the cooperative the handler with respect to this milk.

Special provision is made for handlers who produce milk and receive no milk from other producers or cooperative associations. Defined as "producer-handlers," such handlers are exempted from all provisions of the order except reporting and auditing.

A "producer" is defined as any dairy farmer who produces milk which is delivered to a plant operated by a handler. This definition will identify all of the dairy farmers whose milk deliveries are regarded as a part of the normal Detroit area fluid milk supply. Although most producers will hold permits from a health authority in one of the major cities in the marketing area, there may be some small sections of the marketing area under the jurisdiction of health authorities which do not issue dairy farm permits. A health authority permit is therefore not specified for determining producer status. It is provided that a dairy farmer delivering milk to a plant not operated by a handler may retain producer status if such milk has been diverted from a handler plant. This would permit milk to be diverted to nonhandler manufacturing plants during the surplus season and still be priced and pooled under the order.

Definitions of "producer milk" and "other source milk" are included to distinguish between the regular supply for the fluid market and occasional receipts from other sources. Other source milk may be surplus from another fluid milk market or milk from a plant which is primarily a manufacturing plant. If such other source milk is disposed of as Class I milk in the marketing area a payment on that quantity at the difference between the manufacturing milk price and the Class I price should be required in order to curb any incentive for handlers to drop regular producer supplies of milk to purchase surplus of manufacturing milk at a price advantage.

"Route" is defined as a delivery, including a sale from a store, of a Class I product to a wholesale or retail stop or stops, except to a handler. The handler exception avoids qualifying a plant as a handler when deliveries are only made to other handlers. This would prevent a plant from qualifying as a handler and participating in the market pool merely by delivering some milk to a handler plant inside the marketing area.

The provision of a base and excess plan of payment requires a definition of "base," "base milk," and "excess milk." Other standard terms are defined for the purpose of facilitating subsequent provisions of the order.

(5) *Classification of milk.* Milk should be classified in three classes reflecting the principal differences in the value of milk for different uses.

(a) *Classes.* Class I should include all skim milk and butterfat disposed of for consumption as milk, skim milk, buttermilk, or flavored milk, plant loss of producer milk in excess of 2 percent, and

skim milk and butterfat not accounted for in Class II or Class III utilization. Class II should include skim milk and butterfat disposed of (a) for consumption as cream or any fluid product not named in Class III and containing more than 6 percent of butterfat, (b) used to produce cottage cheese, ice cream or ice cream mix, or (c) contained in dried whole milk, whole or skimmed evaporated or condensed milk, sweetened or unsweetened, unsalted butter, or cheese. Class III should be skim milk and butterfat contained in livestock feed, nonfat dry milk solids or salted butter, or in milk dumped or in plant loss of producer milk not in excess of 2 percent and all plant loss of other source milk.

All classification proposals included milk and flavored milk for fluid consumption in Class I. Producers proposed that skim milk and buttermilk for fluid consumption be in Class I and handlers proposed that these products be in Class II. Representatives of health departments of the larger cities involved testified that such skim milk and buttermilk are required to be made from milk approved for fluid use. It is concluded that milk required to meet the sanitary standards for fluid consumption and the products required to be made from such milk (flavored milk, and skim milk and buttermilk for fluid consumption) should be in Class I.

Testimony indicated that there are no farm inspection requirements for milk disposed of in most of the marketing area in any form other than as milk, flavored milk, skim milk and buttermilk for fluid consumption. Cottage cheese, and cream used for fluid consumption or for ice cream in Detroit must be made in approved plants but the farms producing the milk used in these products are not inspected by city health authorities. There was no showing of any specific difference in the quality of milk used to produce cream and cottage cheese for use in the marketing area and the quality of milk manufactured into evaporated milk, cheese and other products in the various manufacturing plants in the milkshed. Handlers proposed that all products other than those requiring farm inspected milk be included in one class. There does not appear to be justification, on the basis of the quality of milk required for their production, for different classification for milk used to produce cream and the various manufactured products. Butterfat and skim milk used in cream and all manufactured dairy products (with the exception of butter and nonfat dry milk solids which are discussed below) are therefore classified as Class II. The use of a butterfat test of 6 percent was suggested to distinguish between milk products and cream products. This appears to be an appropriate test for this purpose and all fluid products having a butterfat test in excess of 6 percent are included in Class II and those testing 6 percent or less in Class I.

Both producers and distributors proposed a separate classification for so-called "distress" milk resulting from production in excess of market needs, which often must be disposed of at lower prices than received for milk for general manu-



facturing uses. A large amount of the milk not needed for fluid sales is handled by a cooperative which has limited manufacturing facilities. A substantial volume is also received by distributors who have no manufacturing facilities. The disposition of this milk in the spring months of heavy production has been a serious problem. Since manufacturing plants are operating at close to capacity at that time, disposition of this milk may require these plants to operate in excess of normal capacity, involving high cost overtime rates. In some cases it must be transported to distant plants. The choice of plants to which this milk may be diverted may be limited and sometimes it is accepted only at prices lower than those paid for milk from regular supply sources.

The problem of disposing of surplus milk has been met in recent years by providing a class (Class II-B) for all milk received by a distributor in excess of a certain amount, at a price lower than Class II-A, which includes all manufacturing milk. Distributors proposed to continue this practice by an order provision that in any month when total market receipts of producer milk exceed 147 percent of market Class I utilization, all producer milk received by any handler in excess of 125 percent of his Class I utilization (provided the handlers' Class I utilization was 60 percent or more of his producer milk receipts in the preceding October, November and December) be Class IV milk, to be priced lower than Class III milk. Producers, however, proposed to meet the problem by providing a Class III made up of plant loss, dumped milk and all manufactured products other than ice cream and cottage cheese to be priced relatively low but somewhat higher than the Class IV proposed by the distributors.

The distributors' proposal does not provide that milk be classified in accordance with the form in which or the purpose for which it is used, but would base classification in part upon the amount of milk received and the amount used in another class. The producers' proposal would place a large proportion of the milk used for manufacturing in the lowest price class although there may be no disposal problem with respect to much of this milk.

The seasonal surplus of milk approved for the Detroit area is disposed of so far as possible for the production of sweet cream, ice cream, evaporated milk and cheese. In most years, however, it is not possible to utilize all of the excess spring production in these products. The additional amount is manufactured into butter and nonfat dry milk solids. The return for milk so used has been lower than for milk used in other manufactured products. The cooperative which assumes the major responsibility for disposing of excess milk in the market has facilities for manufacturing butter and nonfat dry milk solids only. In 1949 over 16 million pounds of milk not needed in the market was handled at the manufacturing plant of this cooperative. Of the milk diverted in that year by this cooperative to other plants for manufacture, over 50 million pounds were

diverted to plants making butter or nonfat dry milk solids or both, although other products were also made in these plants. Since milk used to produce butter and nonfat dry milk solids is valued lower than that for other uses, and since these products provide a final outlet for milk in the Detroit market which cannot be disposed of for fluid consumption or used in the manufacture of other products, a separate class should be provided for skim milk and butterfat used in butter and nonfat dry milk solids. This class should also include milk dumped or used for livestock feed, and plant loss.

Producers proposed that plant loss up to 2 percent of producer milk received be allowed in the lowest price class, any in excess of this amount to be in Class I. Handlers proposed all plant loss be in the lowest class, claiming that loss of the milk is sufficient incentive to keep such losses at a minimum and that the penalty of Class I pricing of any in excess of 2 percent is not justified. Data submitted indicate that with plant operation of average efficiency, losses normally do not exceed 2 percent. Unlimited allocation of plant loss to Class III would place a premium on unaccounted for milk and encourage incomplete records of Class I utilization. Plant losses of producer milk in excess of 2 percent should be included in Class I.

It was proposed that in the case of milk moved from a country plant operated by a cooperative to a bottling plant, the 2 percent plant loss be allowed at the bottling plant. No reasons were given for limiting this provision to plants operated by a cooperative. It would seem that since part of the plant loss may be incurred at each plant, the allowance might more logically be divided between the plants. However, the proposed method avoids the problem of determining a fixed allocation of plant loss between the two handlers. The country plant operator may recover any receiving loss in his handling charge, and present charges probably cover this cost. It is concluded that the proposed provision, without the cooperative limitations, as well as the standard provisions for prorating loss between producer and other source milk, and allowing loss on diverted producer milk at the plant where actually received, should be included in the order.

(b) *Milk transfers.* Provision is made for classification of milk transferred between handlers, handlers and persons not handlers, and between cooperative plants and handlers. In the case of transfers between handlers not involving a cooperative plant, transfer is permitted in any agreed class in which the transferee plant has utilization in an amount equal to or greater than the amount so transferred, after allocating any other source milk, since under a market-wide pool the classification of milk transferred between handlers may represent any agreed producer milk use without affecting the payment to producers. Handlers are required to furnish written notification to the market administrator of an agreed classification, otherwise milk transfers are classified as Class I and cream transfers as Class II.

In the case of transfers from a handler plant to a plant not operated by a handler, a requirement that producer milk be allocated to the highest value uses in the transferee plant might increase the difficulty of disposing of surplus milk. Operators of some such non-handler plants have Class I uses and might refuse to handle surplus milk from the Detroit market if such milk would be allocated to their highest value uses. It is concluded that, as proposed, transfers from a handler plant to a plant not operated by a handler in the form of milk or skim milk be in Class I and in the form of cream be in Class II, but that such transfers shall be classified as mutually agreed by the transferor and transferee if the market administrator is notified of such agreement, the transferee has use in the agreed class in an amount at least equal to the amount transferred, the transferee maintains books and records showing utilization of all receipts at his plant and the market administrator is permitted to verify the reported utilization. In case the agreed utilization in the transferee plant exceeds the total of such utilization in the plant, the excess should be applied next to Class II, then Class III and finally to Class I.

A number of country plants receiving Detroit inspected milk are operated by a cooperative association. Milk is transferred from these plants by tank truck to a large number of handler bottling plants. This milk is now classified for purposes of pricing at the pro rata classification of all producer milk in the bottling plant. Although classification has been on a relatively simple two class, hundredweight basis, market experience has shown that about a month is required to get the utilization reports from all the various buyers and to prorate the transferred milk to each class. Final settlement has not been made until the second month after delivery of the milk.

It is recommended herein that utilization of all handlers, including cooperatives, be reported not later than the 5th day of the month following receipt of the milk, and that a uniform price based on these utilization reports be computed and announced not later than the 10th. It was considered improbable that the cooperative could collect utilization reports from the large number of handlers involved, compute other source milk allocations, prorate cooperative transfers of producer milk over remaining utilization, combine the results into a utilization report for the cooperative and submit it to the administrator in the 5 days allowed. Furthermore, any audit adjustments in classification for each handler involved would require an adjustment between the handler and the cooperative and a second adjustment between the cooperative and the equalization fund of the market-wide pool.

To simplify the procedure of accounting for such transfers, and to facilitate the reporting of utilization by the date specified, it was proposed that handlers operating bottling plants be required to pay the cooperative association a minimum of the uniform base price for the month for such milk. In computing the cooperative equalization account the



value of such bulk milk transferred to bottling plants at the uniform base price would be added to the class values of other utilization.

This proposal would not affect the final cost of milk to handlers or the return to producers, and differs from settlement between the cooperative and transferee handlers at a pro-rata or an agreed classification only in the method of handling a relatively small difference between the value of the transferred milk at the pro rata or agreed classification and such value at the uniform base price. This difference would be reflected in the handler's payment made to or received from the equalization account. The recommended procedure would provide the same assurance of payment for milk marketed to handlers through a cooperative plant as for milk delivered directly by producers, and would result in payment for milk by each handler at his utilization value with a minimum of accounting requirements. The use of the uniform base price in computing the equalization account charges and credits for such transferred milk is recommended because it would result in initially charging each handler at the approximate utilization value of the milk and, therefore, relatively small settlements with the equalization fund would be required.

It was proposed that a cooperative not be a handler with respect to milk transferred in bulk to a handler operating a bottling plant. A cooperative operating a plant which first receives milk from producers must be responsible for all records of milk receipts and of payments and therefore should be a handler with respect to all producer milk received at such plant.

Since some handlers do combine operations which utilize other source milk in the same plants as those which handle producer milk for the fluid market, it is necessary to provide a method for allocating such other source milk to the various classes of utilization. Since producer milk includes all milk which is regularly available for fluid disposition in the marketing area, the method of allocating provides that such producer milk shall be allocated to the higher fluid uses to the extent that such uses are available.

(6) *Class prices.* Since the Detroit fluid milk market supply is obtained from a region in which large quantities of milk are delivered to plants which manufacture various milk products, it is necessary that the price for the fluid market be closely related to the level of prices being paid at competing manufacturing plants. There are some differences from time to time between the prices paid at plants manufacturing different products. Therefore, the Class I price should be related to that particular manufacturing milk price which represents the best outlet for manufacturing milk at any particular time. The method of accomplishing this has been to relate the Class I price to a series of basic formula prices which represent different kinds of manufacturing milk prices. Special differentials should be

added to the highest of the prices determined by 4 separate alternate price formulas to determine the Class I price for each month.

(a) *Basic formula price.* Producers proposed 4 alternate basic formulas for use in determining the Class I price based on prices of butter and powder, butter and cheese, prices paid dairy farmers by 18 midwest dairy manufacturing plants and by 5 Michigan dairy manufacturing plants. Distributors made the same proposal and also proposed use of the same basic formulas in slightly modified form, and the 18 midwest plant price only.

The first 3 of the price formulas included in the producer proposal are widely used for determining Class I prices in milk markets under Federal regulation. The use in this order of these price formulas with appropriate Class I price differentials would correlate the Detroit Class I price with Class I prices in other markets such as Toledo and Cleveland. No objection was made to the use of the average of prices paid by certain Michigan manufacturing plants as an alternate basic formula, but there was disagreement as to which specific plants should be used. A number of different plants were proposed for inclusion, and the use of 7 plants instead of 5 was suggested. The follow-

ing considerations should govern the selection of these plants so far as possible:

(1) Cooperative plants should not be included since their pay price to farmers usually includes only part of the return for milk, the remainder being paid as a patronage dividend which is not reflected in the reported pay price.

(2) Plants operated by a handler under the order should not be included because prices should be determined wholly independently of the actions of any handler.

(3) The plants selected should represent as wide a variety of manufactured products as possible.

(4) The plants should be so located as to represent all parts of the milkshed.

The use of 7 plants involves the possible difficulty of getting prompt payment reports, and it is improbable that the added quotations would influence the average price appreciably or make it more representative of manufacturing milk values in the area. The reporting of pay prices by the plants selected is voluntary and the use of any plant pay price in this formula will depend on consent of the plant operator to report his average pay price.

The following 5 plants appear to most nearly meet the requirements set forth above and should be used in determining the basic formula price.

Company	Location	Products
Nestles Milk Co.	Udly	Evaporated milk.
Kraft Cheese Co.	Clare	Cheese.
Carnation Milk Co.	Sheridan	Evaporated milk.
Grand Ledge Milk Co.	Grand Ledge	Nonfat dry milk solids, sweet cream.
Saranac Milk Co.	Saranac	Nonfat dry milk solids, sweet cream, cottage cheese.

Use of the highest formula price as the basic formula price would base the Class I price on the most favorable manufacturing use for milk in each month. In an area where all important dairy products are manufactured, fluid milk markets must compete for milk with plants making the highest value products. The Class I price should therefore be based on the formula representing the highest value for milk for manufacturing.

(b) *Class I price.* The Class I price should be determined by adding \$1.35 to the basic formula price. This added differential should be increased 15 cents when a shortage of producer milk for Class I utilization is indicated by the ratio of receipts of producer milk to Class I utilization in the second preceding month and decreased by 15 cents when an excess supply of milk is so indicated. An additional 15 cents should be added or subtracted for each additional full five percentage points decrease or increase in the ratio of producer milk receipts to Class I utilization.

Producers proposed a Class I price differential of \$1.40 to be added to the basic formula price each month. Distributors proposed various differentials varying seasonally, which would average about \$1.10 over the year, and one to be determined each month by a supply-demand formula. It was testified that a large proportion of the milk supply for the Detroit area is received at country stations and reshipped to bottling plants.

The country station location differentials proposed by producers average 17 cents per hundredweight so that the Class I price reflected in the price to most producers at the point of milk delivery would average 17 cents below the marketing area price. This must be taken into account in setting the Class I differential.

Data covering an estimated 80 percent of the market volume of milk deliveries indicate that the average number of producers supplying the market increased 1.5 percent from 1946 to 1949, while the average milk deliveries per producer increased 2 percent. In the same period, however, average daily Class I sales increased 5 percent. For the three years 1947 through 1949 producer milk deliveries averaged 135 percent of total Class I sales. The Class I price negotiated by the cooperative during this 3 year period averaged \$1.39 over the proposed basic formula price. For the year 1947 the Class I price in Detroit averaged \$1.23 above manufacturing milk prices as represented by the recommended basic formula price, and for the first 8 months of 1948 averaged only 86 cents above. These relatively low prices were associated with a decline in milk receipts in relation to sales. For the 12 month period ending with July 1948 Class I sales averaged 81 percent of producer milk receipts and during the period from November 1947 through



February 1948 the market was short of milk.

Deliveries of milk to the Detroit market seem to respond readily to changes in the relationship of Detroit prices to prices for manufacturing milk. When the differential between the two prices has been large deliveries to Detroit have increased. When the price differential has narrowed deliveries have fallen off. Manufacturing milk prices dropped sharply after August, 1948, and the Class I price was increased, with the result that for the 9 month period from September, 1948, through May, 1949, the differential between Detroit Class I prices and manufacturing prices averaged \$2.05 per hundredweight. This period of relatively high Class I prices brought about a reversal of the downward trend of milk receipts in relation to sales. For the year of 1949 Class I sales averaged 69 percent of producer milk receipts compared with 80 percent for 1948, and the supply each month exceeded that in the corresponding month of 1948. In the 12 month period of June, 1949, through May, 1950, the Class I price averaged \$1.41 above the proposed basic formula price. During the first 7 months of this period, producer milk receipts increased in relation to Class I sales to a high point in December, 1949, in which month only 70 percent of producer milk was sold as Class I compared with over 84 percent in December 1948. The maximum effect of the high differential between Detroit prices and manufacturing prices from October, 1948, through May, 1949, and of other factors such as favorable weather and ample feed supplies seems to have been reached by the end of 1949.

During the first 5 months of 1950 the excess of milk receipts over the corresponding months of 1949 decreased and receipts in May 1950 were below May 1949. During this period the Class I price was at approximately the level above manufacturing milk prices which producers proposed to be fixed by the order. The record of milk receipts and Class I sales would seem to indicate that a Class I differential as high or higher than that proposed would be necessary to insure an adequate supply of milk. However, a number of provisions of the order other than the Class I price would have the effect of increasing the average return to producers. Distributors not in the present pool but who would be handlers under an order have a higher average Class I utilization than those now pooled. A higher butterfat differential would increase the return somewhat for Class I milk. The Class II order price recommended would probably return somewhat more for milk for these uses than was realized in 1949. Payment for all milk on a complete classified use basis would probably increase the average price to producers for all milk somewhat, and an audit verification of all handler uses would tend to have the same result.

Considering all of the factors discussed above, it is concluded that a Class I price differential of \$1.35, subject to a supply-demand adjustment as recommended below, will attract to the Detroit market

area an adequate supply of milk meeting the applicable health standards.

A proposal was made that the Class I price differential be adjusted monthly in relation to changes in the ratio of producer milk receipts to Class I utilization. Such a provision appears desirable but the proposal made should be modified somewhat. There are objections, for instance, to relating a current period to a 1947-48-49 base period, as proposed, as a measure of the time and amount of price changes desirable. During this 3 year period producer milk deliveries were 135 percent of Class I utilization, a larger supply than necessary to insure sufficient milk for Class I utilization in the short supply months. The 3 year period was one of wide variations both in prices and in production. The Class I price ranged from 58 cents above the proposed basic formula price to \$2.32 above and producer milk receipts ranged from 107 percent of Class I utilization in December, 1947, to 143 percent in December, 1949. For these reasons the 1947-49 period does not seem to be suitable either as an indication of an appropriate Class I price differential, or as a guide to the normal seasonal variations in the ratio of receipts to Class I utilization.

The object of a supply-demand price adjustment in this market is to bring about an automatic price increase when the supply of producer milk is at such a level in relation to Class I utilization that a shortage in the months of seasonally low production is indicated, and a price decrease when the supply may be expected to be substantially above Class I needs in the low production months. These price changes should be made as soon as possible after an oversupply or shortage is indicated, as a lag of a few months may result in increased prices in the spring months of high production as a result of a shortage the previous winter. A minimum lag of 2 months appears necessary, allowing computation in the current month of the market supply-demand relationship in the preceding month to be applied to the Class I price in the next following month.

It was testified that a minimum milk supply for the market of 115 percent of Class I utilization is needed in any one month to provide adequate milk for Class I uses because of unequal distribution among handlers and daily and weekly variations in receipts and sales. A supply of more than 120 percent of Class I utilization in the shortest supply month would indicate a supply larger than needed. An upward price adjustment would be indicated if the market supply of producer milk in the shortest supply month might be expected to fall below 115 percent of Class I utilization and a downward adjustment indicated if this supply might be expected to exceed 120 percent of Class I utilization. Monthly data on daily average deliveries per farm indicate a fairly uniform seasonal variation in production each year. The supply-demand ratio for other months which would correspond to the 115 percent-120 percent range in the shortest supply month may therefore be computed by adjusting these ratios by a

standard seasonal variation in producer milk deliveries computed as an average of the seasonal variation of the most recent 5 years. A Class I price increase is then indicated at each full 5 percentage points below the upper ratio (less 0.1 percent) and a decrease at each full 5 percentage points above the lower ratio, as computed or each month. The standard seasonal adjustment should be recomputed each year to keep it representative of the seasonal pattern of the most recent 5 years.

Producer milk receipts in relation to sales and to producer prices over the last 4 years indicate that the proposed 3 cents per percentage point is a desirable rate of supply-demand adjustment of the Class I price differential. A period of 9 months during which the Class I price averaged about 82 cents above the recommended basic formula price coincided with a period of milk shortage. Another period of 8 months during which the Class I price averaged about \$2.12 above the recommended basic formula price coincided with and was followed for several months by an oversupply of milk. These data indicate that a range of Class I price differentials somewhat less than these extremes is desirable. A price change of 15 cents for each 5 percentage points, when applied to the supply-demand ratios of the last 4 years gives a top differential of \$1.80 and a low (in 3 months only) of 60 cents. It is unlikely that either of these extremes would have been reached had the recommended pricing plan been in effect during these years, since the computed range of 60 cents to \$1.80 is based on production responses to differentials ranging from a low of 58 cents to a high of \$2.32. The range which might be expected from the use of a 15 cent adjustment for each 5 percentage points probably would not exceed \$1.05 to \$1.65 which appears appropriate to stimulate an ample supply of producer milk and at the same time avoid a large surplus.

To remove the possibility of a succession of increases and decreases if the ratio should fluctuate slightly above and below the level at which a price change is effected, it is provided that after a price change occurs a change in the ratio of an additional  $\frac{1}{2}$  percentage point is required to bring about a succeeding change in the opposite direction.

(c) *Class II price.* The Class II price should reflect the value of milk for general manufacturing uses in the Detroit milkshed. The average of the prices paid by 5 Michigan dairy manufacturing plants, as recommended for use as an alternate basic formula price, will normally reflect the value of milk in the Detroit area which is not used for fluid milk sales. Much of this milk is diverted to manufacturing uses in the various plants in the milkshed, and the 5 plant average price will usually be representative of the prices received for this milk, because of the selection of the plants as discussed in connection with the basic formula price.

It is possible, however, that due to the limited number of plants which it is practical to use, and the limited area represented, that prices paid by these



plants may be lower at times than the market prices of manufactured dairy products would justify. As a safeguard against temporarily depressed prices in the local area, an alternate Class II price based on the market prices of butter and nonfat dry milk solids should be provided. A formula used in many milk markets under Federal regulation for pricing milk for manufacturing uses is recommended. This formula determines butterfat values at the average price of 92-score butter at Chicago plus 20 percent and skim milk values at the average price of spray and roller process nonfat dry milk solids at Chicago area plants less a manufacturing cost allowance of 5.5 cents per pound and converted to skim milk equivalent by use of a yield factor of 8.5 pounds of powder per hundredweight. Use of this formula price as an alternate Class II price would insure a price in line with national values of manufactured dairy products during any periods when the price paid by the particular local plants selected might be abnormally low for any reason.

(d) *Class III price.* The Class III price should be determined by a butter-powder formula using the average price of 92-score butter at Chicago, increased 20 percent to convert to butterfat, less 5 cents, as the butterfat value per pound, and the average price of roller process nonfat dry milk solids at Chicago area plants, less a manufacturing allowance of 5.5 cents per pound of powder, converted to skim milk equivalent by multiplying by a yield factor of 8.5 pounds per hundredweight, as the skim milk price per hundredweight. As explained in the discussion of classification, Class III is provided largely to facilitate disposal of milk in excess of market needs and the amount which can be diverted to uses other than butter and nonfat dry milk solids. A similar price for butterfat used in butter is in effect in other fluid milk markets such as Cleveland, Columbus, and Cincinnati, Ohio. The skim milk price is based on market prices of roller process powder because spray powder equipment is inadequate to handle the volume of excess skim milk in the Detroit area, and much of it must be used in roller powder. The cooperative which disposes of a large amount of the excess milk has facilities for making roller process powder only. A study submitted showing average manufacturing costs in butter-roller powder manufacturing plants in 1948 indicates a cost per hundredweight of milk of 56 cents. The allowance in the recommended formula of 62.6 cents recognizes an increase in manufacturing costs since 1948.

Producers proposed the average price paid by 5 local manufacturing plants as an alternate Class III price, but applying to a Class III which included most of the manufactured products here priced in Class II. Considering the variety of products manufactured at the local plants, the average price paid might well be too high to permit disposal of milk as butter and roller process nonfat solids, and should not be used as an alternate Class III price.

(e) *Method of pricing.* Producers proposed that butterfat and skim milk be classified and priced separately. Dis-

tributors objected to butterfat and skim milk pricing, and proposed that the utilization in each class in hundredweight be priced at a 3.5 percent hundredweight price, adjusted to average test of the class by use of the producer butterfat differential, which averages about 112 percent of the Chicago 92-score butter price. They contended that resale prices of the various products marketed are adjusted to this method of pricing milk, which has been in use in the market for many years. This method of pricing tends to encourage consumption of butterfat, they claimed, by fixing a relatively low cost for high butterfat content products. Producers claimed that all handlers should pay the same price for all butterfat and skim milk used in any one class and that the relative values of butterfat and skim milk in each class should be the relative values in the open market as shown by market prices of butter and nonfat dry milk solids. These relative values should change from month to month as market values change. The additional cost of producing milk of the quality required for Class I products should be allocated to Class I butterfat and skim milk in proportion to the market values of butterfat and skim milk for manufacturing uses. They pointed out that the distributors' proposal allocated all of this additional cost to the skim milk.

Computing the proposed prices by the method suggested by distributors, for the month of April 1950, skim milk in Class I would have cost \$1.99, 3.2 percent milk \$4.03 and 5.0 percent milk \$5.24. The added fat would cost about the price proposed for butterfat in the Class III formula. In Class II, 100 pounds of 40 percent cream would have cost \$26.71 while the 40 pounds of butterfat in this cream would be worth \$28.70 at the butterfat value in the proposed Class II formula (Chicago 92-score butter plus 20 percent). Under the pricing method proposed by producers, the corresponding prices would have been 74 cents for skim milk, \$3.96 for 3.2 percent milk, \$5.78 for 5 percent milk and \$29.01 for 40 percent cream.

The proposed methods of pricing milk on a hundredweight basis or a butterfat and skim milk basis represent alternate accounting methods and do not determine the cost of milk to handlers or the return to producers. In view of the market custom of hundredweight accounting and pricing, it appears that a continuation of this method of pricing by the terms of the order is desirable. Class prices should be expressed as hundredweight prices, and the price for each class should be adjusted to the actual butterfat test of the class by use of the butterfat differentials recommended below.

The classification and allocation of producer milk should be on a skim milk and butterfat basis. Because of the wide variation in the butterfat test of the various products, it is probable that the skim milk from producer milk will frequently be utilized in a different class than the butterfat from the same milk. Classification of skim milk and butterfat separately is necessary to accomplish complete classification according to use.

It is also necessary to allocate producer skim milk and butterfat separately in order to give producer milk preference over other source milk in the higher value uses.

(f) *Handler butterfat differential.* The Class I butterfat differential proposed by distributors places a low value on butterfat in Class I milk relative to the hundredweight value of the milk. On the other hand, the producer proposal would price such butterfat relatively high, particularly in view of pricing practices prevailing in the market. The proposed Class I and Class II price formulas would have resulted in the last 3 years in a Class I price for 3.5 percent milk ranging from 23 percent to 32 percent above the Class II price. A Class I butterfat differential set at 20 cents per pound of butterfat above the producer butterfat differential recommended herein would result in a Class I differential ranging between 20 and 30 percent above the Class II butterfat differential, depending on the level of butter prices. A differential so determined would range from 25 to 30 cents above the Chicago 92-score butter price. At price levels of April 1950, this would provide a Class I butterfat differential of 85 cents per pound compared with 65 cents proposed by distributors and \$1.015 proposed by producers. It is concluded that the addition of 2 cents to the one-tenth pound producer butterfat differential, which is based on the price of 92-score butter at Chicago, will provide an appropriate Class I butterfat differential.

Since formulas are provided for determining the butterfat and skim milk values in Class II and Class III milk, the butterfat differentials for these classes should be the butterfat values determined by the respective formulas. In the event the 5 plant average pay price is the effective Class II formula, the butterfat differential should be the value determined by the butterfat portion of the Class II butter-powder formula.

(g) *Location adjustments.* Adjustments for delivery location are provided with respect to payments to producers for milk delivered (1) at country plants (i. e. plants from which no route deliveries are made into the marketing area) located more than 33 miles from the Detroit City Hall and (2) at plants from which route deliveries are made into the marketing area if such plants are located more than 33 miles from the nearest point on the periphery of the marketing area. A credit to handlers at the same rate is provided on milk moved from a country plant to plants operating routes in the marketing area not in excess of Class I disposition of such milk at the receiving plant, and on milk disposed of as Class I milk from the country plant other than to a handler. No location adjustments are provided for plants operating routes in the marketing area and located less than 33 miles from the marketing area, either on payments to producers for milk received or as credits on milk disposed of as Class I.

It was proposed that producer and handler location adjustment rates now in effect be incorporated in the order. For more than 30 years a location adjustment has been applied to milk re-



ceived at country plants for re-shipment to city bottling plants in the Detroit area. This adjustment, based on the distance of the country plant from some point in the marketing area, has been deducted from the marketing area delivered price in making payments to farmers delivering milk to country plants, and a credit at the same rate has been allowed to country plant operators on milk moved to city plants.

In the earlier years these location adjustment rates were increased several times, reaching a high in 1930 when they ranged from 24 cents per hundredweight at 25 miles or less to 81 cents at 90 miles from the basing point. During the following 9 years the rates were lowered 4 times, to a low which ranged from 12 cents at 45 miles or less to 19 cents at points over 94 miles from the basing point, which rates prevailed for the two years following September 1, 1939.

The slightly higher schedule proposed, which has been in effect since October 1, 1947, provides an adjustment of 14 cents on milk received at or moved from a plant located in a zone 33 miles to 48 miles from the Detroit City Hall by shortest road distance, and an additional 1 cent per hundredweight for each 8 mile zone with a limit of 21 cents, which applies to any location beyond 96 miles. While no data were given on milk hauling costs, the proposed rates were considered somewhat more than adequate to cover cost of transporting the milk by tank truck from the receiving plant to city bottling plants. No allowance was proposed for the zone within 33 miles of the city hall as milk produced within this zone may be delivered more economically directly to city bottling plants.

The location allowance is limited to a maximum of 21 cents which is the allowance applicable to the zone starting at 96 miles from the Detroit City Hall. Ample milk for the market is available within the area included in the 8 zones for which mileage rates are provided and very little milk is moved from beyond 96 miles. The movement of milk for unnecessarily long distances at the producers' expense would not be economical. The proposed maximum rate of 21 cents would not discourage the movement of milk from reasonable distances beyond the 96 miles as the economies of the long haul would to some extent offset the lower rate per mile.

Both the Grand Boulevard and the city hall in Detroit were proposed as basing points for location adjustments. Mileage may be determined more readily from a single point than from a street extending many miles. The Detroit City Hall is therefore specified as the basing point for all distance differentials. Zone distances 3 miles greater than now in use based on the Grand Boulevard are provided to allow for the average 3 mile distance between the two basing points. The shortest road distance as determined by the market administrator was proposed for fixing the zone location of country plants and appears satisfactory for this purpose. The location adjustments as proposed would apply to all producer milk delivered to qualifying country plants in each zone and it appears would result in a fair

value for such milk in relation to the value of milk delivered at city bottling plants.

It was proposed by producers that handlers operating receiving plants in the location adjustment area receive a credit computed by applying the applicable zone rate to all milk moved to marketing area bottling plants regardless of the use classification of the milk so moved. Handlers proposed that the customary method of pricing milk be continued and this method, in effect, allows the location adjustment credit on 107 percent of Class I utilization. This results from adjusting the city price of Class II-B milk, which includes all producer milk in excess of 107 percent of Class I milk, by adding the average location adjustment of 17 cents to the Class II-B price formula. While the location adjustment credit is allowed on all milk moved to city bottling plants, it is in effect removed from Class II-B milk by increasing the marketing area price by the average location adjustment. This method of pricing manufacturing milk is not recommended.

Producers should not be required to bear the cost of transporting manufacturing milk from country plants to city plants. Milk may usually be manufactured more economically in country plants, and if a handler chooses to transport milk into the city for manufacture he should pay the cost of transportation. The handler location adjustment should apply therefore only to milk moved to bottling plants for Class I use. The use of milk moved from country plants would be determined by pro-rating to such milk the classification of all producer milk in the bottling plant (after first allocating other source milk to the lowest value uses). Since in most cases some milk in excess of Class I uses must be moved to a city bottling plant from country plants, limiting the handler credit to Class I milk only would result in a small reduction of the credit now being allowed.

Existing location adjustments to country plant operators are considered satisfactory by both producers and distributors. In fact transportation costs justify a somewhat lower handler credit but it appears that this is about offset by the smaller quantity of milk to which the location adjustment will apply and for this reason no modification of the rate is made.

Because of the large size of the marketing area, some bottling plants located in the marketing area would also be in a zone to which a location adjustment would apply. It was proposed that the producer location adjustment apply to milk delivered to such plants as well as that delivered to country receiving plants. It was further proposed by distributors that handlers disposing of Class I or Class II producer milk from plants located in a location adjustment zone, including bottling plants in the marketing area, receive a credit on such milk at the rate of the handler location adjustment applicable to the zone. Producers also proposed such a credit but that it be applicable only at plants located more than 64 miles from the Detroit City Hall.

The portion of the marketing area including the city of Ann Arbor would be in the first location adjustment zone (33 to 48 miles from the Detroit City Hall) and that including Port Huron and nearby cities would lie in the first 3 zones (33 to 64 miles from the Detroit City Hall). As proposed, producers delivering milk to Ann Arbor bottling plants would receive 14 cents less than for milk delivered within the 33 mile zone, and those delivering to plants in Port Huron and nearby areas would receive 14 to 16 cents less. As proposed by handlers, a handler credit of like amount would be allowed on Class I and Class II disposition from these plants. Under the producers' proposal, however, no credit on Class I and Class II disposition would be allowed within the 64-mile zone, which would exclude all plants within the marketing area.

All parts of the marketing area are dependent upon the entire production area for a year around supply of milk. While part of the milk for the Ann Arbor and Port Huron areas is supplied by nearby farms, both areas depend for a large amount of milk on country plants which are part of the supply system for the entire marketing area. The prices necessary to attract an adequate supply of milk should apply therefore to all parts of the area. Lower prices in outlying parts of the marketing area would not attract sufficient milk for these localities.

Location adjustments to producers are provided to adjust the amount paid for milk which is not delivered to city bottling plants to allow for the additional cost of moving such milk from the plant where it is delivered by the producer to the area where it is to be distributed and should not apply to milk delivered by a producer to a bottling plant distributing milk in or near the marketing area unless the bottling plant is located an appreciable distance from the marketing area. No location differentials are recommended at points nearer than 33 miles to the Detroit City Hall. The same distance is appropriate for determining the application of a location differential to plants operating routes in the marketing area, except the distance should apply to the nearest point by highway to the boundary of the marketing area. It is provided that location adjustments, both producer and handler, apply to milk delivered to plants more than 33 miles from the Detroit City Hall, and in the case of plants operating routes in the marketing area, also located more than 33 miles from the boundary of the marketing area.

Handler plants receiving Detroit inspected milk may dispose of Class I milk in localities outside the marketing area. It was testified that the Detroit market is the dominant factor in the determination of prices in the entire milkshed. Hence, the Detroit Class I price, less the applicable location adjustment, would represent approximately the value of Class I milk disposed of from any plant in the Detroit milkshed. It is provided that a handler shall receive a credit with respect to Class I milk disposed of, other than to another handler, from a plant outside the marketing area from which



a route is not operated in the marketing area at the rate of the location adjustment for the zone in which the plant is located. This credit is made applicable only at plants located more than 33 miles from the nearest point by highway to the boundary of the marketing area in the case of plants disposing of milk on routes in the marketing area. No allowance is provided for Class II milk since this milk would be mostly used in manufactured products and its value would not decrease at locations more distant from Detroit.

(h) *Transportation credits.* No transportation credits in addition to the zone location adjustment should be allowed to handlers on Class I milk disposed of, or on Class II or Class III milk moved for manufacturing.

It was proposed that a credit be allowed to a handler on any bulk, unpasteurized milk moved to a person other than a handler at a location 64 miles or more from the Detroit City Hall for Class I utilization computed at a rate of 17 cents for the 64 to 72 mile zone from the Detroit City Hall and increased one cent for each additional 8-mile zone. It was testified that the proposal was intended to permit disposal of milk during the summer season to milk distributors in distant resort areas at a price not in excess of the Detroit Class I price at the handler's receiving plant.

This proposal conflicts with the proposal discussed above to allow a credit on any Class I disposition other than to another handler from certain plants at the rate of the location differential applicable to the plant. This proposal, in effect, would require producers to pay the transportation cost to any point more than 64 miles from Detroit where a handler might choose to dispose of bulk Class I milk. If Class I milk from the Detroit area is needed in a distant market, it appears that the cost of transporting the needed milk should be borne by the market which is short of milk and not by the milk producers of the area from which the milk is supplied.

It was also proposed that a credit be allowed to handlers on milk transported from the plant where it is received from producers to another plant for manufacture at a rate of 6 cents per hundredweight for distances of  $\frac{1}{2}$  mile to 5 miles between the receiving plant and the manufacturing plant and at the rate of 1 cent for each additional 8 miles or fraction thereof with a maximum allowance of 18 cents per hundredweight.

In the Detroit market some milk distributors receive all of their milk needs from producers, either at a city bottling plant or at country plants, and manufacture the receipts in excess of their fluid milk needs into dairy products, generally at the plant where the milk is received from producers. If it is necessary to move any of the milk to another plant for manufacture, the transportation cost is paid by the distributor. Other distributors buy part or all of their milk from a producers cooperative association and assume no responsibility for disposing of milk in excess of their needs for fluid sales. The cooperative must arrange for converting the surplus milk

which these distributors would otherwise be required to handle into manufactured products and in doing so must move substantial quantities from the country plants where it is received from producers to other plants for manufacture. It is expected, therefore, that the cooperative would be the main recipient of the transportation credits under this proposal.

If the proposed credits were provided for in the order, some of the costs which the cooperative must bear in the disposal of surplus milk would be defrayed out of the equalization pool and ultimately reflected in a lower return to all producers. A number of handlers have arranged to dispose of all surplus milk incident to their operations without the necessity of transporting milk at the expense of producers. The level of surplus milk prices which is provided is designed to cover the cost of converting surplus milk into manufactured dairy products. Any extra costs which the cooperative must bear appear to be due to additional services performed for certain distributors such as furnishing milk in the exact amounts needed for Class I uses, maintaining country receiving plants, keeping an adequate supply of milk available at all times and handling the disposal of any milk not needed by these distributors. It appears that these extra costs should be reflected in the cost of milk to the distributors who receive the additional services rather than be charged to producers through pool credits. The charge for manufacturing milk should be the same for all handlers, including cooperatives, without special allowances or credits applicable to particular methods of handling this milk.

(7) *Payments to producers—(a) Type of pool.* Market-wide pooling of all proceeds of producer milk was proposed and no objection was made to this type of pool. The nature of the market requires a uniform price to all producers representing the value of all market utilization to fairly compensate producers for their contribution to the market supply. Some distributors buy as closely as possible to their needs and carry little or no surplus in the high production months. A cooperative handles a large portion of the spring surplus production and supplies many distributors with milk as needed. Distributors in the Ann Arbor area buy from producers less milk than needed for a large portion of the year, and depend on additional purchases of milk in bulk from a cooperative. Some country plants supply milk for fluid distribution only in a few months of low production but maintain an available supply at all times. Producers supplying these various handler plants contribute equally to making available a year around supply of milk but would receive widely varying returns under an individual handler pool method of payment.

Handlers are required to make payments for all producer milk received at the uniform base price for base milk and the excess price for excess milk, as explained below, either to producers directly or to a cooperative association for milk delivered by member producers. In the case of producers for whom a co-

operative acts as marketing agent, payments may be made to the producer or to the cooperative, as agreed between the cooperative and the handler. Payments to a cooperative for producer milk delivered in bulk are required to be made at the uniform base price for the reasons set forth in the discussion of transfers.

(b) *Base-excess plan.* A "base plan" for returning the proceeds of milk sales to producers in a way which will encourage more uniform seasonal production is provided. Milk delivered in the February-July period is to be paid for on the basis of deliveries during the August-December period.

A base plan has been in use in the Detroit market since 1930 and a proposal was made to incorporate this plan in the order in substantially the form now in use. It was shown that at the time the base plan of payment was introduced 20 years ago, milk deliveries to the market in the highest production month were 175 percent of deliveries in the lowest month. After 10 years of operation of the plan (1940), milk receipts in the highest production month were only 126 percent of the lowest month. During the next 5 years war-time demand and higher prices apparently somewhat offset the base plan incentive for even seasonal production. By 1945 the seasonal variation in milk receipts as measured by the percentage relationship of the highest month to the lowest month had increased to 146 percent. In the following 4 years seasonal variation in production improved and in 1949 the high month was down to 134 percent of the low month. If the seasonal variation of 1930 had prevailed in 1949, and November deliveries had been only adequate for market needs (115 percent of Class I utilization), deliveries in June would have been over 201 percent of Class I and in volume over 60 million pounds of milk in excess of Class I needs. It was stated that in view of the difficulty experienced in disposing of the actual market surplus in 1949 when June receipts exceeded Class I utilization by only 30 million pounds, a completely demoralized market might have resulted without the influence of the base plan on seasonal production.

Basically, the plan provides that each producer will receive the Class II price for milk delivered each month in excess of a daily average amount, the producer's "base", which base is the daily average of shipments of the producer for the period of August through December of the previous year, the "base period." For milk deliveries not in excess of base, a "uniform base price" is paid which is computed by dividing total market base milk deliveries into the remaining returns for all producer milk marketed during the month after deducting the value of the excess milk. The plan as proposed by the cooperative differed from the simplified outline above in two major respects; (1) in the case of a daily average of base period deliveries lower than the base already held by a producer, the new base would be the previous base less any amount by which 90 percent of the previous base exceeds the average daily base period deliveries, and (2) once



during each year a producer may elect to give up his base and to establish a new base under the method proposed for establishing the base of a new producer.

Continuation of producer payments on the base and excess plan during the base forming months was proposed. This is not recommended here, however. The base-excess plan was proposed as an incentive for more even seasonal production, the objective being to encourage each producer to produce more of his total year supply of milk in the late summer and fall months and less in the spring months. Payments on the plan in the late summer and fall months is directly contrary to the claimed objective since a producer would thereby receive only the Class II price for production in those months in excess of his base. Use of the base-excess payments in all months tends to make the base a sort of market quota which can be increased only under penalty of producing milk in excess of base at the manufacturing price for 5 months. The plan might thus be made an important factor in limiting over-all production, but the act contemplates a price level which will insure a sufficient quantity of pure and wholesome milk rather than the adjustment of milk supply to market needs by means of market quotas. It is concluded, therefore, that all milk should be considered base milk during the base forming months, and the month of January during which new bases are being computed, and the uniform base price during those months should be a blend price of all uses by all handlers.

The need for a provision that bases be reduced by the difference between the average base period deliveries and 90 percent of the previous base would seem to be largely eliminated if use of bases is discontinued on July 31 and resumed on February 1 of the following year. Removal of the provision for making payments at the excess milk price for deliveries in excess of base during the base forming months would remove the incentive for holding fall production close to base and probably result in fewer cases of reduction in base because of accident, disease and other conditions more or less beyond the control of the producer.

A producer may desire to change his level of production and should not be required to receive payment for the higher production at the excess price for the remainder of the base period. It was proposed that producers be permitted to re-establish a base in line with their normal production level by allowing any producer to relinquish his base and to establish a base as a new producer once during each year. This would make the plan more flexible and would take care of cases of abnormally low production during the base period due to unusual circumstances.

In the Detroit market the months of lowest production in relation to fluid milk sales are normally October, November, December and January. The base period proposed includes August and September which usually are months of more plentiful supply than are January and February, and does not include January. These months appear to have

been selected to offset the lag in production responses which requires the stimulus to fall and winter production to become effective some months in advance of the period of shortest production in relation to market needs. A base period extending through January and February would tend to result in higher production in the spring months of oversupply. Deliveries of base milk in the 5 months of the base period averaged over 87 percent of Class I sales in the last 4 years, and over 91 percent in 1946 and 1947, which indicates the desirability of shifting production to those months. It is concluded that the proposed base forming period should be adopted except that deliveries for only 122 days during the period be required. This would allow for a producer starting delivery not later than September 1, and for limited lapses in delivery during the period.

It was proposed that a new producer entering the market or a producer electing to give up his base shall be paid for a certain percentage of his milk during each of the first three full months of delivery at the base price and the remainder at the excess price. These percentages are fixed for each month at a somewhat lower percentage of base and higher percentage of excess than the normal market average of all producers for the month. The amount of milk paid for as base milk, averaged over the three-month period, determines the producer's daily base until a new base is established. The percentages proposed are now in use in the market and reflect the differences in seasonal production patterns of old producers and new producers as determined from market experience. The low spring percentages are necessary if producers are to be given the option of establishing a new base in order to prevent producers having a wide seasonal variation from receiving higher payments than justified by establishing two bases each year. The recommended percentages of milk deliveries to be paid for at the base price, 75 percent for February, 70 percent for March, 60 percent for April and July and 40 percent for May and June, are appropriate for making payments to new producers and to producers who elect to establish new bases.

A period of one month is allowed following the end of the base period to compute new bases. Every producer (except those who have been on the market less than 3 months) receives a new base on February 1 computed on average daily deliveries during the base forming months.

It was proposed that bases in use on the effective date of the order be applicable, subject to the approval of the market administrator, until the next February 1. However, the record indicates that there are some 2,000 producers who would have no base. It was proposed that the market administrator collect data on deliveries of these producers for the previous base forming months, or the first 3 months of delivery, and compute bases as if the order had been in effect during the base forming months of the previous year. Aside from the difficulties of collecting the data and

making the computations in the brief period allowed, and the probable lack of some necessary records, which make the proposal impractical if not impossible to carry out, the proposal, in effect, would make certain provisions of the order retroactive to periods several months before the order would become effective, which is not provided by the act. The same objection applies to requiring payments on bases already established previous to the effective date of the order.

It is provided that all milk be paid for at a blend price until bases have been established by deliveries during the first base period after the order becomes effective. This, of course, would not prevent a cooperative from re-pooling the returns for milk of its members and making payments on such base and excess plan as it may elect.

Rules have been provided for the handling of bases under certain circumstances. It is provided that any producer who fails to deliver milk to a handler for 45 consecutive days shall lose his base.

(c) *Producer butterfat differential.* Payments to producers must be adjusted for butterfat content. The proposed butterfat differential, based on the market price of 92-score butter at Chicago, has been in use in the market since 1941. This differential appears to have resulted in a supply of producer milk of satisfactory butter fat test for the needs of the market, and it is recommended as a provision of the order. Order prices are set for 3.5 percent milk as prices have always been announced for milk of this test in the market, and the basic test of 3.5 percent apparently requires a minimum of adjustment to arrive at prices for actual tests of producer milk.

(8) *Administrative provisions—(a) Administrative assessment.* The act provides that the costs of administering a milk marketing order shall be financed by assessments on handlers subject to the order. An assessment of 2 cents per hundredweight of milk received from producers was proposed for the purpose. Although a considerable volume of cream from sources other than producers is received, testimony indicates that a fair apportionment of the administrative costs among handlers may be arrived at by basing the assessment on receipts of producer milk only. Normally, little or no other source milk is received as milk at handler plants. Should the rate of 2 cents per hundredweight prove more than adequate to cover costs of administering the order, it is provided that the Secretary may prescribe a lesser amount.

(b) *Marketing services.* To verify payments to producers at required rates, it is necessary to determine that butterfat tests and weights are accurate. To promote orderly marketing and encourage the production of an adequate supply of milk of satisfactory quality, it is necessary to furnish information regarding the market to individual producers. The cost of these market services should be paid by the producers who receive the benefits. Cooperative associations may be performing these services for members. It is provided, therefore, that in making payments to



producers who are members of cooperatives determined by the Secretary to be performing such services, handlers shall deduct and pay to the cooperative such deductions as are authorized by the members of the cooperative. In the case of producers who are not receiving such services from their cooperative, the service should be performed by the market administrator with funds provided by a deduction from payments to such producers. It was proposed that a deduction of 5 cents per hundredweight be provided for this purpose. No testimony opposed such a deduction or indicated that a different rate should be provided.

Data on costs of furnishing these services to producers not serviced by cooperatives indicate that such costs would be relatively high. These producers deliver milk to 89 plants which are scattered over a wide area. It was estimated that butterfat check-testing costs under these conditions would be over 60 cents per test. It is provided that a deduction of 5 cents per hundredweight be made from payments to producers not receiving market services from a cooperative of which they are members and paid to the market administrator to be used for performing such services, and that this rate of 5 cents may be lowered by the Secretary if experience proves a lesser amount to be sufficient.

(c) *Other administrative provisions.* The other provisions cover administrative procedures necessary to carry out the pricing and payment requirements of the order, and for the liquidation of accounts in the event of suspension or termination of the order. Appointment of a market administrator is provided for and his powers and duties are prescribed. The computations to be made by the market administrator in determining class prices and the uniform base price are set forth. A producer-equalization account is provided and the method of determining payments due to and from this account outlined so that each handler payments to or receipts from this account, together with his payments to producers or cooperatives for milk will equal the value of his producer milk at the class prices. Handlers are required to permit verification by audit of all utilization of milk and milk products. Handlers are required to preserve all necessary records to show receipts, utilization and payments for a period of three years. This is considered long enough to allow for all necessary verification and at the same time not burden handlers with an unreasonable volume of old records. Records involved in any litigation, however, must be retained until released by the market administrator.

The termination of any obligation of a handler regarding any payment required by the order or of the market administrator to pay any handler is provided at the end of two years. Exceptions in the case of handler obligations are made in cases of notification of the obligation by the market administrator, failure or refusal of a handler to submit records, or transactions involving fraud or willful concealment of facts. A definite date for terminating obligations prevents the filing of claims which

might extend back many years and involve substantial amounts. The resulting uncertainty could cause serious inequities and endanger the stability of the market. Handlers cannot always be forewarned as to contingent liabilities and it is extremely difficult and burdensome for them to make adequate provision therefor by setting up reserves or by taking other precautionary measures. It is concluded that in general a period of two years is a reasonable time in which the market administrator should complete his audits and render billings for money due under the order.

Payments to producers have customarily been made on the 15th of the month following that in which the milk was received. It is considered desirable to continue this practice, as a shorter time is impractical considering the necessary reports and computations to be made. Producers should not be required to wait longer than 15 days when payment can be made within that time. Dates specified for announcement of class prices, submission of handler reports, announcement of uniform prices and equalization fund obligations are so set as to permit payments to producers by the 15th of the following month.

*General findings.* (a) The proposed marketing agreement and the order and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

*Proposed findings and conclusions.* Briefs were filed on behalf of producers and certain handlers. The briefs contained proposed findings of fact, conclusions and argument with respect to the proposals discussed at the hearing. Every point covered in the briefs was carefully considered along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that such suggested findings and conclusions contained in the briefs are inconsistent with the findings and conclusions contained herein the request to make such findings or to reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions in this decision.

*Recommended marketing agreement and order.* The following order is recommended as the appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this

decision because the regulatory provisions thereof would be identical with those contained in the order.

#### DEFINITIONS

§ 924.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., 601 et seq.).

§ 924.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States, or any other officer or employee of the United States authorized to exercise the powers or to perform the duties of the Secretary of Agriculture.

§ 924.3 *U. S. D. A.* "U. S. D. A." means the United States Department of Agriculture.

§ 924.4 *Person.* "Person" means any individual, partnership, corporation, association, or any other business unit.

§ 924.5 *Detroit, Michigan, marketing area.* "Detroit, Michigan, marketing area," hereinafter referred to as the "marketing area," means all territory, within the outer boundaries of the townships of Clyde, Port Gratiot, Kimball, Port Huron, St. Clair, China, East China, Ira, Cottrellville and Clay in St. Clair County, the townships of Chesterfield, Clinton, Harrison, Warren, Erin and Lake in Macomb County, the townships of Waterford, Pontiac, Avon, West Bloomfield, Troy, Farmington, Southfield, and Royal Oak in Oakland County, the townships of Ann Arbor, Superior and Ypsilanti in Washtenaw County and all of Wayne County except the townships of Northville, Plymouth, Sumpter, Huron, and Brownstown, all in the State of Michigan.

§ 924.6 *Handler.* "Handler" means: (a) A person who operates a plant in which milk is pasteurized or packaged for distribution in the marketing area and from which Class I milk is disposed of during the month on a route(s) in the marketing area;

(b) A person who operates a plant other than one described in paragraph (a) of this section which is approved by the Department of Health of the City of Detroit, Ann Arbor, Pontiac or Port Huron for the handling of milk for consumption as Class I milk in the marketing area.

§ 924.7 *Producer.* "Producer" means a dairy farmer who produces milk which is received directly from the farm at a plant described in § 924.6 (except such plant as described in § 924.101) or is diverted for a handler's account from such a plant to a plant not described in § 924.6.

§ 924.8 *Producer-handler.* "Producer-handler" means a person who is a handler and who produces milk, but receives no milk from other producers or from a cooperative association.

§ 924.9 *Producer milk.* "Producer milk" means milk delivered by one or more producers.

§ 924.10 *Other source milk.* "Other source milk" means all skim milk and butterfat received by a handler in any



form, other than that contained in producer milk.

§ 924.11 *Cooperative Association.* "Cooperative association" means any cooperative marketing association of producers, duly organized as such under the laws of any state, which includes members who are producers as defined in § 924.7 and which the Secretary determines after application by the association;

(a) To be qualified under the standards set forth in the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act;"

(b) To have the entire organization and all of its activities under the control of its members; and

(c) To be currently engaged in making collective sales or marketing milk or its products for its members.

§ 924.12 *Base.* "Base" means a quantity of milk, expressed in pounds per day, determined for each producer as provided in § 924.70.

§ 924.13 *Base milk.* "Base milk" means milk delivered by a producer each month which is not in excess of his base multiplied by the number of days on which milk is delivered during the month, and all milk delivered by a producer prior to February 1, 1952, and in the months of January, August, September, October, November and December of each year.

§ 924.14 *Excess milk.* "Excess milk" means milk delivered by a producer each month in excess of his base milk.

§ 924.15 *Route.* "Route" means a delivery (other than to a handler) including a sale from a store of a Class I product to a wholesale or retail stop(s).

#### MARKET ADMINISTRATOR

§ 924.20 *Designation.* The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal by, the Secretary.

§ 924.21 *Powers.* The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate the terms and provisions;

(d) To recommend amendments to the Secretary.

§ 924.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay, out of the funds provided by § 924.86

(1) The cost of his bond and of the bonds of his employees,

(2) His own compensation, and

(3) All other expenses, except those incurred under § 924.87, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided in this part, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, within 10 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to §§ 924.30 and 924.31, or (2) payments pursuant to §§ 924.80 and 924.84;

(g) Calculate a base for each producer in accordance with § 924.70 and advise the producer and the handler receiving the milk of such base;

(h) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(i) Audit records of all handlers to verify the reports and payments required pursuant to the provisions of this part; and

(j) Publicly announce, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the prices determined for each month as follows:

(1) On or before the 5th day of each month, the minimum class prices for the preceding month computed pursuant to § 924.51 through § 924.53, and the handler butterfat differential computed pursuant to § 924.54, and

(2) On or before the 10th day of each month the uniform price for base milk and the price for excess milk for the preceding month, computed pursuant to §§ 924.62 and 924.63, and the producer butterfat differential computed pursuant to § 924.82.

#### REPORTS, RECORDS, AND FACILITIES

§ 924.30 *Monthly reports of receipts and utilization.* On or before the 5th day of each month, each handler shall report to the market administrator for the preceding month, in the detail and on forms prescribed by the market administrator, the following with respect to (a) all producer milk received, (b) all skim milk and butterfat in any form received from other handlers, and (c) all other source milk (except any non-fluid milk product which is disposed of in the same form as received) received at a plant(s) described in § 924.6;

(1) The quantities of butterfat and skim milk contained in such receipts, and their source;

(2) The utilization or disposition of such receipts; and

(3) Such other information with respect to such receipts and their utilization or disposition as the market administrator may prescribe.

§ 924.31 *Other reports.* (a) Each producer-handler and each handler described in § 924.101 shall make reports at such time and in such manner as the market administrator may request.

(b) On or before the 20th day of each month each handler who received milk from producers shall report his producer payroll for the preceding month which shall show:

(1) The pounds of base milk and pounds of excess milk received from each producer, and the percentage of butterfat contained therein;

(2) The amount and date of payment to each producer (or to a cooperative association); and

(3) The nature and amount of each deduction or charge involved in the payments referred to in subparagraph (2) of this paragraph.

§ 924.32 *Records and facilities.* Each handler shall maintain and make available to the market administrator during the usual hours of business, such accounts and records of all of his operations and such facilities as are necessary to verify reports, or to ascertain the correct information with respect to (a) the receipts and utilization or disposition of all skim milk and butterfat received, including all milk products received and disposed of in the same form; (b) the weights and tests for butterfat, skim milk and other contents of all milk and milk products handled; and (c) payments to producers and cooperative associations.

§ 924.33 *Retention of records.* All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided*, That, if within such three-year period, the market administrator notifies a handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records until further written notification from the market administrator. The market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

#### "CLASSIFICATION"

§ 924.40 *Skim milk and butterfat to be classified.* All skim milk and butterfat received at a handler plant (a) in milk from producers (except as provided in § 924.43 (c)) or from a cooperative association, (b) in any form from other handlers and (c) in other source milk required to be reported pursuant to



§ 924.30 shall be classified (separately as skim milk and butterfat) in the classes set forth in § 924.41.

§ 924.41 *Classes of utilization.* Subject to the conditions set forth in §§ 924.42 and 924.43 the classes of utilization shall be:

(a) Class I utilization shall be all skim milk and butterfat (1) disposed of for consumption in fluid form as milk, flavored milk, skim milk or buttermilk; and (2) not accounted for as Class II utilization or Class III utilization.

(b) Class II utilization shall be all skim milk and butterfat (1) disposed of for fluid consumption as sweet or sour cream or any fluid product not named in Class III and containing more than 6 percent of butterfat; or (2) used to produce ice cream or ice cream mix, cheese (including cottage cheese), dried whole milk, evaporated or condensed whole or skim milk, sweetened or unsweetened, and unsalted butter.

(c) Class III utilization shall be all skim milk and butterfat (1) used to produce nonfat dry milk solids or salted butter; or (2) dumped or disposed of as livestock feed; or (3) in shrinkage of producer milk up to 2 percent of receipts from producers and in shrinkage of other source milk.

§ 924.42 *Shrinkage.* (a) If producer milk is utilized in conjunction with other source milk, the shrinkage shall be allocated pro rata between the receipts of skim milk and butterfat in producer milk and other source milk.

(b) Producer milk transferred by a handler to another handler without first having been received for the purposes of weighing and testing in the transferring handler's plant shall be included in the receipts at the plant of the second handler for the purpose of computing his shrinkage and shall be excluded at the plant of the transferring handler in computing his shrinkage.

(c) Producer milk received at a plant from which a route is not operated in the marketing area and transferred in bulk from such plant to a plant from which a route is operated in the marketing area shall be subtracted from the producer milk receipts at the first plant and added to the producer milk receipts at the second plant in computing shrinkage.

§ 924.43 *Transfers.* (a) Skim milk and butterfat disposed of by a handler to another handler (except as provided in paragraph (c) of this section) in the form of milk or skim milk shall be Class I utilization, and skim milk and butterfat so disposed of in the form of cream shall be Class II utilization unless in either case use in another class is mutually indicated in writing to the market administrator by both handlers on or before the 5th day after the end of the month within which such transfer was made: *Provided*, That in no event shall the amount so classified in other than Class I be greater than the amount of producer milk used in such class by the receiving handler after allocating other source milk in the receiving handler's plant in series beginning with the lowest priced utilization.

(b) Skim milk and butterfat disposed of in the form of milk or skim milk by a handler to a person not a handler shall be Class I utilization, and skim milk and butterfat so disposed of in the form of cream shall be Class II utilization, unless (1) utilization is mutually indicated in writing to the market administrator by both the handler and the receiver on or before the 5th day of the month following the month in which such transfer was made, and (2) the receiver maintains books and records showing the utilization and disposition of all skim milk and butterfat at his plant which are made available if requested by the market administrator for the verification of such mutually indicated utilization: *Provided*, That if such plan had not actually used an equivalent amount of skim milk or butterfat in such indicated use, the remaining pounds shall be classified as Class II to the extent that such utilization is available and any amount still remaining as Class III to the extent that such utilization is available and any amount still remaining as Class I, as if the classes of utilization set forth in § 924.41 were applicable to such plant.

(c) Producer milk transferred in bulk from a plant operated by a cooperative association from which no milk is disposed of on a route(s) in the marketing area to a plant as described in § 924.6 (a), except a plant as described in § 924.101, shall be deducted before classification of producer milk at the plant of the transferor cooperative and shall be included in producer milk classified at the plant of the transferee handler.

§ 924.44 *Responsibility of handlers and reclassification.* All skim milk and butterfat shall be classified as Class I utilization unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise.

§ 924.45 *Computation of skim milk and butterfat in each class.* For each month the market administrator shall correct for mathematical and obvious errors the monthly report submitted by each handler and compute the total pounds of skim milk and butterfat, respectively, in Class I, Class II, and Class III utilization for such handler.

§ 924.46 *Allocation of butterfat classified.* The pounds of butterfat remaining after making the following computations shall be the pounds in each class allocated to milk received from producers.

(a) Subtract from the total pounds of butterfat in Class III utilization, the pounds of butterfat shrinkage allowed pursuant to § 924.41 (c) (3);

(b) Subtract from the pounds of butterfat remaining in each class, in series beginning with the lowest-priced utilization, the pounds of butterfat in other source milk;

(c) Subtract from the remaining pounds of butterfat in each class, the pounds of butterfat received from other handlers (except from a cooperative as set forth in § 924.43 (c)) in such classes pursuant to § 924.43 (a); and

(d) Add to the remaining pounds of butterfat in Class III utilization the pounds subtracted pursuant to paragraph (a) of this section;

(e) If the remaining pounds of butterfat in all classes exceed the pounds of butterfat in milk received from producers, subtract such excess from the remaining pounds of butterfat in each class in series, beginning with the lowest-priced utilization.

§ 924.47 *Allocation of skim milk classified.* Allocate the pounds of skim milk in each class to milk received from producers in a manner similar to that prescribed for butterfat in § 924.46.

#### MINIMUM PRICES

§ 924.50 *Basic formula price.* The basic formula price to be used in determining the price per hundredweight of Class I utilization shall be the highest of the prices computed pursuant to paragraphs (a), (b), (c), and (d) of this section.

(a) The average of the basic or field prices per hundredweight reported to have been paid, or to be paid, for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the U. S. D. A.

#### Present Operator and Location

Borden Co., Mount Pleasant, Mich.  
Carnation Co., Sparta, Mich.  
Pet Milk Co., Hudson, Mich.  
Pet Milk Co., Wayland, Mich.  
Pet Milk Co., Coopersville, Mich.  
Borden Co., Greenville, Wis.  
Borden Co., Black Creek, Wis.  
Borden Co., Orfordville, Wis.  
Borden Co., New London, Wis.  
Carnation Co., Chilton, Wis.  
Carnation Co., Berlin, Wis.  
Carnation Co., Richland Center, Wis.  
Carnation Co., Oconomowoc, Wis.  
Carnation Co., Jefferson, Wis.  
Pet Milk Co., New Glarus, Wis.  
Pet Milk Co., Belleville, Wis.  
White House Milk Co., Manitowoc, Wis.  
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values computed pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago as reported by the U. S. D. A. during the month; subtract 3 cents, add 20 percent thereof and multiply by 3.5.

(2) From the simple average, as computed by the market administrator, of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the U. S. D. A., deduct 5.5 cents and then multiply by 8.2.

(c) The price per hundredweight resulting from the following formula:

(1) Multiply by 6 the simple average as computed by the market administrator



tor of the daily average wholesale selling prices per pound of Grade A (92-score) bulk creamery butter (using the midpoint of any price range as one price) at Chicago as reported by the U. S. D. A. for the month;

(2) Add an amount equal to 2.4 times the simple average as published by the U. S. D. A. of prices per pound of "Cheddars" on the Wisconsin Cheese Exchange at Plymouth, Wisconsin, on the trading days that fall within the month.

(3) Divide by 7, add 30 percent thereof, and then multiply by 3.5.

(d) The average of the prices per hundredweight reported to have been paid, or to be paid, for milk of 3.5 percent butterfat content received from farmers during the month at the following plants for which prices have been reported to the market administrator:

*Present Operator and Location*

Kraft Cheese Co., Clare, Mich.  
Nestle's Milk Products Co., Ubly, Mich.  
Carnation Milk Co., Sheridan, Mich.  
Grand Ledge Milk Co., Grand Ledge, Mich.  
Saranac Milk Co., Saranac, Mich.

§ 924.51 *Class I milk price.* (a) Except as provided in paragraph (b) of this section the minimum price per hundredweight to be paid by each handler, f. o. b. his plant as described in § 924.6 for milk of 3.5 percent butterfat content received from producers or from cooperative associations, during the month, which is classified as Class I utilization shall be the basic formula price plus \$1.35.

(b) Beginning in the third month after this order becomes effective, the percentage which total receipts of producer milk by all handlers during the preceding month is of total Class I utilization of all handlers during such period shall be computed each month by the market administrator, and for the following month the Class I price shall be decreased 15 cents for each full 5 percentage points which such percentage is above the percentage for the corresponding month in column A of the following schedule and increased 15 cents for each full 5 percentage points which such percentage is below the percentage for the corresponding month in column B: *Provided*, That when the price has been so decreased or increased it shall not be next increased or decreased, respectively, until such percentage is  $\frac{1}{2}$  percentage point higher or lower, as the case may be, than the percentage at which such price change would otherwise be made.

Month	Percentages	
	A	B
January.....	115	119.9
February.....	119	123.9
March.....	126	130.9
April.....	135.5	140.9
May.....	149.5	155.9
June.....	157	163.9
July.....	140.5	146.4
August.....	135.5	142.4
September.....	132	137.4
October.....	123	127.9
November.....	116	120.9
December.....	118	122.9

This schedule shall be recomputed in January of each year as follows:

(1) Compute for each month of each of the next preceding 5 years the per-

centage which the average daily deliveries of all producers for the month is of the average daily deliveries of all producers for the year;

(2) Add the percentage so computed for the corresponding months of each of the 5 years and divide by 5;

(3) Considering the lowest resulting average to be 100 percent, compute the percentage which the average for each of the other 11 months is of the average for the lowest month;

(4) Multiply the percentages computed in subparagraph (3) of this paragraph, by 1.15 and round off to the nearest  $\frac{1}{2}$  percent to determine the monthly percentages for the first column of the schedule;

(5) Multiply the percentages computed in subparagraph (3) of this paragraph, by 1.2, round off to the nearest  $\frac{1}{2}$  percent and subtract .1 percent to determine the monthly percentages for the second column of the schedule.

§ 924.52 *Class II milk price.* The minimum price per hundredweight to be paid by each handler, f. o. b. his plant as described in § 924.6 for milk of 3.5 percent butterfat content received from producers or from a cooperative association, during the month, which is classified as Class II utilization, shall be the higher of the prices as computed by the market administrator pursuant to paragraphs (a) and (b) of this section:

(a) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) Multiply the average price per pound of butter as described in paragraph (b) (1) of § 924.50 by 1.2 and then by 3.5.

(2) From the simple average of the weighted averages of carlot prices per pound of nonfat dry milk solids, spray and roller process, respectively, in barrels for human consumption f. o. b. manufacturing plants in the Chicago area as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the U. S. D. A., subtract 5.5 cents and then multiply by 8.2.

(b) The price per hundredweight as described in § 924.50 (d).

§ 924.53 *Class III milk price.* The price per hundredweight to be paid by each handler, f. o. b. his plant as described in § 924.6 for milk of 3.5 percent butterfat content received from producers or from a cooperative association, during the month, which is classified as Class III utilization shall be the sum of the plus values as computed by the market administrator pursuant to paragraphs (a) and (b) of this section.

(a) Multiply the average price per pound of butter as described in paragraph (b) (1) of § 924.50 by 1.2, subtract 5 cents and then multiply by 3.5.

(b) From the weighted average of the carlot prices per pound of roller process nonfat dry milk solids in barrels for human consumption f. o. b. manufacturing plants in the Chicago area as reported by the U. S. D. A. for the period from the 26th day of the preceding month through the 25th day of the month during which such milk is re-

ceived, subtract 5.5 cents and then multiply by 8.2.

§ 924.54 *Handler butterfat differential.* There shall be added to or subtracted from, as the case may be, the prices of milk for each class as computed pursuant to §§ 924.51, 924.52 and 924.53, for each one-tenth of one percent variation in the average butterfat test of the milk in each class above or below 3.5 percent the amounts determined as follows:

*Class I milk.* Add 2 cents to the producer butterfat differential determined pursuant to § 924.82.

*Class II milk.* Divide by .35 the amount determined pursuant to § 924.52 (a) (1).

*Class III milk.* Divide by .35 the amount determined pursuant to § 924.53 (a).

**DETERMINATION OF PRICE TO PRODUCERS**

§ 924.60 *Computation of value of milk for each handler.* (a) Subject to paragraphs (c) and (d) of this section, the value of producer milk received during the month by each handler shall be a sum of money computed by the market administrator by multiplying by the applicable class price adjusted pursuant to § 924.54 the total combined hundredweight of skim milk and butterfat received from producers allocated to each class pursuant to §§ 924.46 and 924.47, adding together the resulting amounts, and if such handler has a utilization greater than has been accounted for as received from all sources, add an amount computed by multiplying any such excess utilization classified pursuant to § 924.46 (e) and § 924.47 by the applicable class prices.

(b) Each handler who has other source milk allocated to Class I pursuant to § 924.46 and § 924.47 shall pay to the producer equalization fund each month an amount computed by multiplying the hundredweight of milk so allocated by the difference between the Class I and Class II prices for the month adjusted by the butterfat differentials provided in § 924.54 to the butterfat test of such other source milk.

(c) A handler who receives producer milk at a plant which is located more than 33 miles by shortest highway distance from the boundary of the marketing area shall receive a credit each month with respect to producer milk disposed of as Class I utilization, other than to a handler, computed at the rate for the zone in which the plant is located as determined by the market administrator, as set forth in the schedule in paragraph (d) of this section.

(d) A handler who receives milk from producers (1) at a plant located outside the marketing area and more than 33 miles by shortest highway distance from the Detroit City Hall and from which no milk is disposed of on a route in the marketing area or (2) at a plant which is located outside the marketing area and more than 33 miles by shortest highway distance from the boundary of the marketing area and from which milk is disposed of on a route in the marketing area shall receive a credit with respect to producer milk moved in bulk from such plant to a plant from which milk is



disposed of on a route in the marketing area computed on the weight of milk so moved which is not in excess of the amount of such milk classified as Class I utilization in the plant to which such milk is moved (pro rating to such milk the utilization of all producer milk received at such plant) at the rate for the applicable zone as determined by the market administrator, as follows:

Zone No.	Shortest road distance from Detroit City Hall	Rate per cwt.
1	More than 33 miles but not more than 48 miles	\$0.14
2	More than 48 miles but not more than 56 miles	.15
3	More than 56 miles but not more than 64 miles	.16
4	More than 64 miles but not more than 72 miles	.17
5	More than 72 miles but not more than 80 miles	.18
6	More than 80 miles but not more than 88 miles	.19
7	More than 88 miles but not more than 96 miles	.20
8	More than 96 miles	.21

§ 924.61 *Computation of the 3.5 percent value of all producer milk.* For each month, the market administrator shall compute the 3.5 percent value of producer milk by:

(a) Combining into one total the individual values of milk of all handlers, computed pursuant to paragraph (a) of § 924.60;

(b) Adding the aggregate value of all allowable producer location adjustments computed at the rates for the appropriate zones as provided in § 924.81;

(c) Adding or subtracting any charges or credits pursuant to § 924.90 (a);

(d) Adding, if the weighted average butterfat test of all producer milk represented in paragraph (a) of this section is less than 3.5 percent, or subtracting if the weighted average butterfat test of such milk is more than 3.5 percent, an amount computed by multiplying the total pounds of butterfat represented by the difference of such average butterfat test from 3.5 percent by the butterfat differential provided in § 924.82 multiplied by 10.

(e) Adding not less than one-half of the unobligated balance in the producer-equalization fund.

§ 924.62 *Excess milk price.* For each month the excess milk price shall be the price of Class II utilization determined pursuant to § 924.52.

§ 924.63 *Computation of uniform price for base milk.* (a) Multiply the total pounds of excess milk and milk to be paid for at the excess milk price pursuant to § 924.70 (b) for the month by the excess milk price.

(b) Subtract the total values arrived at in paragraph (a) of this section, from the total 3.5 percent value of all producer milk arrived at in § 924.61;

(c) Divide the resultant value by the total hundredweight of base milk and milk to be paid for at the base price pursuant to § 924.70 (b); and

(d) Subtract not less than four cents nor more than five cents. The resultant hundredweight price shall be the uniform price of base milk of 3.5 percent

butterfat content received at plants described in § 924.6.

§ 924.64 *Notification.* On or before the 10th day after the end of each month the market administrator shall notify each handler of:

(a) The amounts and values of his skim milk and butterfat in each class and the total of such amounts and values;

(b) The base of any producer delivering milk to the handler which was not used in making payments for the previous month.

(c) The amount due such handler from the producer-equalization fund or the amount to be paid by such handler to the producer-equalization fund, as the case may be; and

(d) The totals of the minimum amounts to be paid by such handler pursuant to §§ 924.80, 924.84, 924.86, 924.87 and 924.90.

#### BASE RULES

§ 924.70 *Determination of base.* (a)

A producer who delivered milk on at least 122 days during the period August 1 through December 31, inclusive, of any year shall have a base computed by the market administrator to be applicable for the 6 months' period beginning the following February 1, equal to his daily average milk deliveries from the date on which milk was first delivered in the period to the end of such August 1-December 31 period.

(b) A producer who has no base shall be paid during the first three full months he is a producer within the period February through July the price applicable to base milk for the following percentages of his milk deliveries and the price applicable to excess milk for the remainder of his deliveries: 75 percent for February, 70 percent for March, 60 percent for April and July and 40 percent for May and June. At the conclusion of the first three full months' delivery, a base shall be established in the following manner: Multiply the total deliveries during each such month by the applicable percentages. Add the amounts so computed and divide by the number of days in which milk was delivered during the three months.

(c) From the effective date of this part until bases are established pursuant to this section, all milk delivered by producers shall be considered to be base milk.

§ 924.71 *Application of bases.* (a) A base shall apply to deliveries of milk by the producer for whose account that milk was delivered during the base period;

(b) Bases may be transferred only during the period of February through July upon written notice by the holder of the base to the market administrator on or before the last day of the month that such base is to be transferred only as follows:

(1) Upon the death, retirement or entry into military service of a producer, the entire base may be transferred to a member or members of his immediate family.

(2) If a base is held jointly and such joint holding is terminated, the entire base may be transferred to one of the joint holders or to another person.

(c) A producer who does not deliver milk to a handler for 45 consecutive days shall forfeit his base.

§ 924.72 *Establishing a new base.* A producer with a base, by notifying the market administrator that he relinquishes such base, may establish a new base pursuant to § 924.70 (b) once during the seven-month period ending with July 31, the period for establishing a new base to begin the first day of the month in which such notification is received by the market administrator.

#### PAYMENT FOR MILK

§ 924.80 *Time and method of payment.* On or before the 15th day after the end of each month each handler who received milk from producers or from a cooperative association shall pay for milk received during such month to each producer, or to a cooperative association for milk received from such association or from producers for the account of such association, the uniform base price for base milk and for milk to be paid for at the base price pursuant to § 924.70 (b) and milk transferred pursuant to § 924.43 (c), and the excess price for excess milk, and milk to be paid for at the excess price pursuant to § 924.70 (b), adjusted by the butterfat differential pursuant to § 924.82 and any location adjustment pursuant to § 924.81: *Provided*, That if by such date such handler has not received full payment for such month pursuant to § 924.85, he shall not be deemed to be in violation of this section if he reduces uniformly to all producers and cooperative associations his payments per hundredweight by a total amount not in excess of the reduction in payments due from the market administrator; however, the handler shall make such balance of payment uniformly to those producers to whom it is due on or before the date for making payments pursuant to this section next following that on which such balance of payment is received from the market administrator.

§ 924.81 *Location adjustments to producers.* In making payments to producers or cooperative associations pursuant to § 924.80 a handler may deduct with respect to all milk received by him from producers at a plant located outside the marketing area and more than 33 miles by shortest highway distance from the Detroit City Hall, as determined by the market administrator, and if milk is distributed from such plant on a route(s) in the marketing area, also located more than 33 miles by the shortest highway distance from the boundary of the marketing area, the amount per hundredweight applicable to the zone in which such plant is located as set forth in § 924.60 (d).

§ 924.82 *Producer butterfat differential.* In making payments pursuant to § 924.80, the base price and excess price shall be increased or decreased for each one-tenth of one percent of butterfat content in the milk received from each producer or a cooperative association above or below 3.5 percent, as the case may be, by a butterfat differential of 7 cents when the average price of butter



as described in § 924.50 (b) (1) is 60 cents, which differential shall be increased one-half cent for each full 5 cents variance in such price of butter above 60 cents and decreased one-half cent for each full 5-cent variance in such price of butter below 64.99 cents.

§ 924.83 *Producer-equalization fund.* The market administrator shall establish and maintain a separate fund, known as the "producer-equalization fund" into which he shall deposit all payments received pursuant to § 924.84 and out of which he shall make all payments pursuant to § 924.85.

§ 924.84 *Payments to the producer-equalization fund.* On or before the 13th day after the end of each month, each handler

(a) Whose value of milk is required to be computed pursuant to § 924.60 (a) shall pay to the market administrator any amount by which such value for such month (in the case of a cooperative association which is a handler plus the value of any milk transferred as provided in § 924.43 (c) at the uniform price for base milk for the month adjusted pursuant to § 924.82) is greater than the minimum amount required to be paid by him pursuant to § 924.80, and

(b) Who is required to make payment pursuant to § 924.60 (b) shall pay such amount to the market administrator.

§ 924.85 *Payment out of the producer-equalization fund.* On or before the 14th day after the end of each month, the market administrator shall pay to each handler any amount by which the value of milk for such handler for the month pursuant to § 924.60 (a) (in the case of a cooperative association which is a handler plus the value of any milk transferred as provided in § 924.43 (c) at the uniform price for base milk for the month adjusted pursuant to § 924.82) is less than the total minimum amount required to be paid by him pursuant to § 924.80, less any unpaid obligations of such handler to the market administrator pursuant to § 924.84: *Provided*, That if the balance in the producer-equalization fund is insufficient to make all payments to all such handlers pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds become available.

§ 924.86 *Expense of administration.* As his pro rata share of the expense of administration of this part, each handler shall pay to the market administrator on or before the 13th day after the end of each month two cents per hundredweight, or such amount not exceeding two cents per hundredweight as the Secretary may prescribe, with respect to all receipts within the month of milk from producers, including milk of such handler's own production.

§ 924.87 *Marketing services.* (a) Except as set forth in paragraph (b) of this section, each handler, in making payments pursuant to § 924.80 for milk received from each producer (including milk of such handler's own production) at a plant not operated by a cooperative

association of which such producer is a member, shall deduct five cents per hundredweight, or such amount not exceeding five cents per hundredweight as the Secretary may prescribe, and, on or before the 13th day after the end of each month, shall pay such deductions to the market administrator. Such moneys shall be used by the market administrator to verify weights, samples, and tests of milk received from producers and to provide producers with market information, such services to be performed by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of producers whose milk is received at a plant not operated by a cooperative association of which such producers are members, and for whom a cooperative association is actually performing the services described in paragraph (a) of this section, as determined by the Secretary, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions from payments required pursuant to § 924.80 as may be authorized by such producers, and pay such deductions on or before the 13th day after the end of the month to the cooperative association rendering such services of which such producers are members.

#### ADJUSTMENT OF ACCOUNTS

§ 924.90 *Payments.* Whenever audit by the market administrator of any handler's reports, books, records, or accounts discloses adjustments to be made, for any reason, which result in moneys due:

(a) To the market administrator from such handler,

(b) To such handler from the market administrator, or

(c) To any producer or cooperative association from such handler,

the market administrator shall promptly notify such handler of any such amount due; and payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred, following the 5th day after such notice.

§ 924.91 *Overdue accounts.* Any unpaid obligation of a handler or of the market administrator pursuant to §§ 924.84, 924.85, 924.86, 924.87, and 924.90 shall be increased one-half of one percent on the first day of the month next following the due date of such obligation and on the first day of each month thereafter until each obligation is paid.

#### APPLICATION OF PROVISIONS

§ 924.100 *Milk caused to be delivered by cooperative associations.* Milk referred to herein as received from producers by a handler shall include milk of producers caused to be delivered to such handlers by a cooperative association.

§ 924.101 *Handler exemption.* A handler who operates a plant located outside the marketing area from which Class I milk is disposed of on a route (a) within the marketing area but from which the disposition of Class I milk on all routes

operating wholly or partly within the marketing area averages less than 600 pounds per day for the month, and from which no milk is transferred to other handlers, shall be exempt for such month from all provisions of this part except §§ 924.31, 924.32 and 924.33.

§ 924.102 *Producer-handler exemption.* A producer-handler shall be exempt from all provisions of this part except §§ 924.31, 924.32, and 924.33.

#### TERMINATION OF OBLIGATIONS

§ 924.110 *Termination of obligations.*

(a) The obligation of any handler to pay money required to be paid under the terms of this order shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the month during which the market administrator receives the handler's report of utilization of the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to a cooperative association, the name of such producers or association, or, if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representatives all books or records required by this order to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or wilful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this order shall terminate two years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler,



within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

#### EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 924.120 *Effective time.* The provisions of this part, or of any amendment to this part, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 924.121 *When suspended or terminated.* The Secretary shall, whenever he finds that this part, or any provision thereof, obstructs or does not tend to effectuate the declared policy of the act, terminate or suspend the operation of this part or any such provision thereof.

§ 924.122 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this part, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 924.123 *Liquidation.* Under the suspension or termination of the provisions of this part, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers, in an equitable manner.

#### MISCELLANEOUS PROVISIONS

§ 924.130 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 924.131 *Separability of provisions.* If any provision of this part, or its application to any person or circumstances, is held invalid the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

Filed at Washington, D. C., this 28th day of February 1951.

[SEAL]

JOHN I. THOMPSON,  
Assistant Administrator.

[F. R. Doc. 51-2942; Filed, Mar. 5, 1951;  
8:57 a. m.]

## DEPARTMENT OF LABOR

### Wage and Hour Division

#### [ 29 CFR, Part 703 ]

#### MEN'S AND BOYS' CLOTHING AND RELATED PRODUCTS INDUSTRY IN PUERTO RICO

##### MINIMUM WAGE RATE

On June 15, 1950, pursuant to section 5 (a) of the Fair Labor Standards Act of 1938, as amended, hereinafter called the act, the Administrator of the Wage and Hour Division, United States Department of Labor, by Administrative Order No. 399, appointed Special Industry Committee No. 8 for Puerto Rico (hereinafter called the "Committee") and directed the Committee to investigate conditions in a number of industries in Puerto Rico specified and defined in the order, including the men's and boys' clothing and related products industry in Puerto Rico (hereinafter called the "industry"), and to recommend minimum wage rates for employees engaged in commerce or in the production of goods for commerce in such industries.

For purposes of investigating conditions in and recommending a minimum wage rate for the men's and boys' clothing and related products industry, the Committee included three disinterested persons representing the public, a like number representing employers, and a like number representing employees in the industry, and was composed of residents of Puerto Rico and of the United States outside of Puerto Rico.

After investigating economic and competitive conditions in the industry in Puerto Rico, the Committee filed with the Administrator a report containing (a) its recommendation that the industry be divided into separable divisions for the purpose of fixing minimum wage rates; (b) the titles and definitions recommended by the Committee for such separable divisions of the industry; and (c) its recommendation for minimum wage rates to be paid employees engaged in commerce or in the production of goods for commerce in such divisions of the industry.

Pursuant to notice published in the FEDERAL REGISTER on October 20, 1950, and circulated to all interested persons, a public hearing upon the Committee's recommendations was held before Hearing Examiner E. West Parkinson, as presiding officer, in Washington, D. C. on November 13, 1950, at which all interested parties were given opportunity to be heard. After the hearing was closed the record of the hearing was certified to the Administrator by the presiding officer.

Upon reviewing all the evidence in this proceeding and after giving consideration to the provisions of the act, particularly sections 5 and 8 thereof, I, as Administrator, have concluded that the recommendations of the Committee for a minimum wage rate of 35 cents in both the suits, coats, trousers and work clothing division and the general division of the men's and boys' clothing and related products industry in Puerto Rico, as defined, were made in accordance with

law, are supported by the evidence adduced at the hearing and, taking into consideration the same factors as are required to be considered by the Committee, will carry out the purposes of sections 5 and 8 of the act.

I have set forth by decision in a document entitled "Findings and Opinion of the Administrator in the Matter of the Recommendation of Special Industry Committee No. 8 for Puerto Rico for Minimum Wage Rates in the Men's and Boys' Clothing and Related Products Industry in Puerto Rico," a copy of which may be had upon request addressed to the Wage and Hour Division, United States Department of Labor, Washington 25, D. C.

Accordingly, notice is hereby given, pursuant to the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001) and the rules of practice governing this proceeding (15 F. R. 7029), that I propose to approve the Committee's recommendation of minimum wage rates for the suits, coats, trousers, and work clothing division and the general division of the men's and boys' clothing and related products industry in Puerto Rico, and to issue a wage order as set forth below, to carry such recommendation into effect. Interested parties may submit written exceptions within 15 days from publication of this notice in the FEDERAL REGISTER. Exceptions should be addressed to the Administrator of the Wage and Hour Division, United States Department of Labor, Washington 25, D. C. They should be submitted in quadruplicate, and should include supporting reasons for any exceptions.

#### Sec.

- 703.1 Approval of recommendations of industry committee.
- 703.2 Wage rates.
- 703.3 Notices of order.
- 703.4 Definitions of the men's and boys' clothing and related products industry in Puerto Rico and its divisions.

AUTHORITY: §§ 703.1 to 703.4 issued under sec. 8, 63 Stat. 915; 29 U. S. C. 208. Interpret or apply sec. 5, 63 Stat. 911; 29 U. S. C. 205.

§ 703.1 *Approval of recommendations of industry committee.* The Committee's recommendations are hereby approved.

§ 703.2 *Wage rates.* (a) Wages at a rate of not less than 35 cents per hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, as amended, by every employer to each of his employees in the suits, coats, trousers, and work clothing division of the men's and boys' clothing and related products industry in Puerto Rico who is engaged in commerce or in the production of goods for commerce.

(b) Wages at a rate of not less than 35 cents per hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, as amended, by every employer to each of his employees in the General Division of the men's and boys' clothing and related products industry in Puerto Rico who is engaged in commerce or in the production of goods for commerce.



§ 703.3 *Notices of order.* Every employer employing any employees so engaged in commerce or in the production of goods for commerce in the men's and boys' clothing and related products industry in Puerto Rico shall post and keep posted in a conspicuous place in each department of his establishment where such employees are working such notices of this order as shall be prescribed, from time to time, by the Wage and Hour Division of the United States Department of Labor and shall give such other notice as the Division may prescribe.

§ 703.4 *Definition of the men's and boys' clothing and related products industry in Puerto Rico and its divisions.* (a) The men's and boys' clothing and related products industry in Puerto Rico, to which this part shall apply, is hereby defined as follows:

The manufacture from any material of men's and boys' clothing and related products, including, but without limitation, suits, coats, overcoats, trousers, shirts, underwear, nightwear, work clothing, sportswear (including bathing suits, riding habits and athletic uniforms), heavy outerwear, neckties, caps, hats (except hand-made straw hats), belts, robes and dressing gowns, raincoats, suspenders, garters, academic caps and gowns, vestments, costumes, and other items of apparel and accessories (except gloves, handkerchiefs, hosiery and shoes).

This definition supersedes the definitions contained in any and all wage orders heretofore issued for other industries in Puerto Rico to the extent that such definitions include products or operations covered by the definition of this industry.

(b) The separable divisions of the industry, as defined in paragraph (a) of this section, to which this part and its several provisions shall apply, are hereby defined as follows:

(1) *Suits, coats, trousers and work clothing division.* The manufacture from any material of men's and boys'

suits, coats, topcoats, overcoats, trousers, and work clothing.

(2) *General division.* The manufacture from any material of all products included in the men's and boys' clothing and related products industry in Puerto Rico, as defined in paragraph (a) of this section, except those included in the suits, coats, trousers, and work clothing division, as defined in this section.

Signed at Washington, D. C., this 28th day of February 1951.

WM. R. McCOMB,  
Administrator,  
Wage and Hour Division.

[F. R. Doc. 51-2907; Filed, Mar. 5, 1951;  
8:51 a. m.]

## HOUSING AND HOME FINANCE AGENCY

### Home Loan Bank Board

[ 24 CFR, Part 145 ]

[No. 4020]

#### CHANGE OF OFFICE LOCATION

PROPOSED AMENDMENT REQUIRING APPROVAL OF CHANGE INVOLVING MOVE OF MORE THAN ONE MILE OR OUTSIDE OF MUNICIPALITY

FEBRUARY 27, 1951.

Resolved that pursuant to Part 108 of the general regulations of the Home Loan Bank Board (24 CFR Part 108), an amendment of § 145.16 of the rules and regulations for the Federal Savings and Loan System (24 CFR 145.16) to read in the form hereinafter set forth, is hereby proposed.

Resolved further that a hearing will be held on Tuesday, April 10, 1951 at 10 o'clock in the forenoon in Room 827, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D. C., before the Home Loan Bank Board, a member thereof, or a hearing officer designated by the Board, for the purpose of receiving evidence, oral views and arguments on said proposed amendment

of the Rules and Regulations for the Federal Savings and Loan System, if written notice of intention to appear at said hearing is received by the Secretary to the Home Loan Bank Board at least five days before said date. If no such written notice of intention to appear has been received by the Secretary to the Board at least five days before the date set for the hearing, the hearing will be dispensed with. Whether or not a hearing is held, written data, views or arguments on said proposed amendment which are received by the Secretary to the Home Loan Bank Board on or before April 5, 1951, or prior to the conclusion of the hearing, if held, will be considered by the Home Loan Bank Board in connection with its consideration of the proposed amendment of the said rules and regulations.

§ 145.16 *Change of office location.* A Federal association may not move any office from its immediate vicinity without prior approval by the Board. A move of more than one mile or a move outside of the municipality in which the office is located will constitute a move of an office from its immediate vicinity. If a Federal association changes the location of its home office, as fixed in such association's charter, such charter shall be appropriately amended in accordance with the provisions thereof. Each application to the Board by a Federal association for permission to move any office of such association from its immediate vicinity shall be supported with a statement showing the need for such change in location, and the estimated expenses of removal to and of maintenance at the new location.

(Sec. 5 (a), 48 Stat. 132, Reorg. Plan No. 3 of 1947, 12 F. R. 4981, 3 CFR 1947 Supp. 61 Stat. 954; 12 U. S. C. 1464 (a), 5 U. S. C. 133y-16)

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE,  
Secretary.

[F. R. Doc. 51-2910; Filed, Mar. 5, 1951;  
8:52 a. m.]

## NOTICES

### DEPARTMENT OF COMMERCE

#### Federal Maritime Board

[No. M-23]

ISBRANDTSEN CO., INC.

NOTICE OF HEARING ON APPLICATION TO BAREBOAT CHARTER A DRY-CARGO VESSEL

Pursuant to section 3, Public Law 591, 81st Congress, notice is hereby given that an informal public hearing will be held at Washington, D. C., on March 20, 1951, at 10 o'clock a. m., in Room 4823 Department of Commerce Building, before Examiner C. W. Robinson, upon the application of Isbrandtsen Co., Inc., to bareboat charter the SS. *Pass Christian Victory* to be used as an animal carrier from

ports in the United States to European ports.

The purpose of the hearing is to receive evidence with respect to whether the service for which such vessel is proposed to be chartered is required in the public interest and is not adequately served, and with respect to the availability of privately owned American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service.

All persons having an interest in such application will be given an opportunity to be heard if present.

The parties may have oral argument before the examiner immediately following the close of the hearing, in lieu of briefs, and the examiner will issue a

recommended decision. Parties may have seven (7) days within which to file exceptions to or memoranda in support of the examiner's recommended decision, but the Board reserves the right to determine whether oral argument on exceptions will be granted or whether briefs in connection therewith will be received.

Dated: March 1, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,  
Secretary.

[F. R. Doc. 51-2951; Filed, Mar. 5, 1951;  
8:58 a. m.]



## DEPARTMENT OF LABOR

## Wage and Hour and Public Contracts Divisions

## EMPLOYMENT OF HANDICAPPED CLIENTS BY SHELTERED WORKSHOPS

## NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES

Notice is hereby given that special certificates authorizing the employment of handicapped clients at hourly wage rates lower than the minimum wage rates applicable under section 6 of the Fair Labor Standards Act of 1938, as amended, and section 1 (b) of the Walsh-Healey Public Contracts Act, as amended, have been issued to the sheltered workshops hereinafter mentioned, under section 14 of the Fair Labor Standards Act of 1938, as amended (sec. 14, 52 Stat. 1068; 29 U. S. C. 214; as amended 63 Stat. 910) and Part 525 of the regulations issued thereunder, as amended (29 CFR Part 525), and under sections 4 and 6 of the Walsh-Healey Public Contracts Act (secs. 4, 6, 49 Stat. 2038; 41 U. S. C. 38, 40) and Article 1102 of the regulations issued pursuant thereto (41 CFR 201.1102).

The names and addresses of the sheltered workshops to which certificates were issued, wage rates, and the effective and expiration dates of the certificates are as follows:

New Hampshire Association for the Blind, 155½ North Main Street, Concord, N. H.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 15 cents per hour, whichever is higher, and a rate of not less than 5 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

Albany Association of the Blind, Inc., 208 State Street, Albany, New York; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 34 cents per hour, whichever is higher; certificate is effective February 9, 1951 and expires January 31, 1952.

Altro Work Shops, Inc., 1021 Jennings Street, New York 60, N. Y.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 20 cents per hour, whichever is higher; certificate is effective February 9, 1951 and expires January 31, 1952.

Goodwill Industries of New Jersey, 574 Jersey Avenue, Jersey City 2, N. J.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 50 cents per hour, whichever is higher; certificate is effective February 12, 1951 and expires January 31, 1952.

Rochester Rehabilitation Center, Inc., 233 Alexander Street, Rochester 7, N. Y.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 10 cents per hour, whichever is higher; certificate is effective February 12, 1951 and expires January 31, 1952.

Delaware County Branch Pennsylvania Association for the Blind, 114 East Ninth Street, Chester, Pennsylvania; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 42 cents an hour, whichever is higher; certificate is effective February 1, 1951 and expires January 31, 1952.

Northampton County Branch Pennsylvania Association for the Blind, 129 East Broad Street, Bethlehem, Pennsylvania; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 35 cents an hour, whichever is higher, and a rate of not less than 25 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

Goodwill Industries of Akron, Inc., 119 North Howard Street, Akron, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 45 cents per hour, whichever is higher, and a rate of not less than 25 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

Lorain Goodwill Industries, 1648 Broadway, Lorain, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 35 cents per hour, whichever is higher, and a rate of not less than 15 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

Columbus Post Volunteers of America, 379 West Broad Street, Columbus 8, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 30 cents per hour, whichever is higher, and a rate of not less than 15 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 5, 1951 and expires January 31, 1952.

Cincinnati Association for the Blind, 1548 Central Parkway, Cincinnati 10, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation

in regular commercial industry maintaining approved labor standards, or not less than 20 cents per hour, whichever is higher, and a rate of not less than 5 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 12, 1951 and expires January 31, 1952.

Gary Goodwill Industries, Inc., 1224 Broadway, Gary, Indiana; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 50 cents per hour, whichever is higher, and a rate of not less than 45 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

Minnesota Homecrafters, Inc., 1719 West Superior Street, Duluth 6, Minnesota; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 15 cents per hour, whichever is higher, and a rate of not less than 10 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

Minnesota Homecrafters, Inc., 3938 Minnehaha Avenue, Minneapolis 6, Minnesota; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 15 cents per hour, whichever is higher, and a rate of not less than 10 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

The St. Paul Goodwill Industries, Inc., 509 Sibley Street, St. Paul 1, Minnesota; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 35 cents per hour, whichever is higher, and a rate of not less than 30 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951 and expires January 31, 1952.

The Volunteers of America, 2300 East Fourteenth Street, Oakland, California; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 65 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

The Volunteers of America, 538 Southeast Ash Street, Portland 14, Oregon; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regu-



lar commercial industry maintaining approved labor standards, or not less than 62½ cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

The Volunteers of America, West 28-30 Main Avenue, Spokane 8, Washington; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 65 cents per hour, whichever is higher, and a rate of not less than 46 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951, and expires January 24, 1952.

Training Center for Adult Blind, 3601 Telegraph Avenue, Oakland 9, California; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 65 cents per hour, whichever is higher, and a rate of not less than 25 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 1, 1951, and expires January 21, 1952.

Goodwill Industries of Orange County, 417 West Fourth Street, Santa Ana, California; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 65 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951, and expires January 24, 1952.

Goodwill Industries of Oregon, Inc., 512 South East Mill Street, Portland 14, Oregon; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 60 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951, and expires January 24, 1952.

Goodwill Industries, 485 Sixth Street, Oakland 7, California; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 60 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951, and expires January 24, 1952.

Society of St. Vincent de Paul, 254 South Broadway, Los Angeles 12, California; at a wage rate of not less than the piece rate paid non-handicapped

employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 75 cents per hour, whichever is higher, and a rate of not less than 45 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

Society of St. Vincent de Paul, 530 Sixth Street, Oakland 7, California; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 60 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

Goodwill Industries of San Francisco, 986 Howard Street, San Francisco 3, California; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 66 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

St. Vincent de Paul Salvage Bureau, 1001 Fairview Avenue North, Seattle 9, Washington; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 60 cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

Union Gospel Mission, 716½ First Avenue, Seattle 4, Washington; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 50 cents per hour, whichever is higher, and a rate of not less than 25 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 6, 1951 and expires February 5, 1952.

National Society of the Volunteers of America, 1921 First Avenue, Seattle 1, Washington; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 62½ cents per hour, whichever is higher, and a rate of not less than 50 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective January 25, 1951 and expires January 24, 1952.

Daisy Ann Manufacturing Company, 2611 McKinney Avenue, Dallas, Texas; at a wage rate of not less than the piece rate paid non-handicapped employees

engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 50 cents per hour, whichever is higher, and a rate of not less than 40 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective February 15, 1951 and expires August 14, 1951.

The employment of handicapped clients in the above-mentioned sheltered workshops under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 525 of the regulations, as amended. These certificates have been issued on the applicants' representations that they are sheltered workshops as defined in the regulations and that special services are provided their handicapped clients. A sheltered workshop is defined as, "A charitable organization or institution conducted not for profit, but for the purpose of carrying out a recognized program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, and to provide such individuals with remunerative employment or other occupational rehabilitating activity of an educational or therapeutic nature."

These certificates may be cancelled in the manner provided by the regulations, as amended. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER.

Signed at Washington, D. C., this 26th day of February 1951.

JACOB I. BELLOW,  
Assistant Chief of Field Operations.  
[F. R. Doc. 51-2906; Filed, Mar. 5, 1951;  
8:51 a. m.]

## DEFENSE TRANSPORT ADMINISTRATION

[DTA Delegation 3]

DIRECTOR, WAREHOUSING AND STORAGE  
DIVISION

DELEGATION OF AUTHORITY WITH RESPECT  
TO ADMINISTRATION OF DEFENSE TRANSPORT  
ADMINISTRATION GENERAL ORDER  
DTA 2

Pursuant to the authority of the Defense Production Act of 1950 (64 Stat. 798), Executive Orders nos. 10161 (15 F. R. 6105) and 10200 (16 F. R. 610), and Organization Order DTA 1, as amended (15 F. R. 6728, 16 F. R. 1677):

The Director of the Warehousing and Storage Division, Defense Transport Administration, is hereby designated and authorized to administer in behalf of the Defense Transport Administration, and the Administrator thereof, the provisions of General Order DTA 2 (16 F. R. 2046), providing for preference and priority in port terminal storage and handling of bulk grain for export.

The Director may exercise the authority hereby conferred upon him through such officers and employees of the De-



fense Transport Administration and in such manner as he may determine.

The exercise of the authority conferred hereby shall be subject to the general control and supervision of the Administrator of the Defense Transport Administration.

Issued at Washington, D. C., this 2d day of March 1951.

JAMES K. KNUDSON,  
Administrator,

Defense Transport Administration.

[F. R. Doc. 51-3002; Filed, Mar. 2, 1951;  
5:01 p. m.]

## CIVIL AERONAUTICS BOARD

[Docket No. 2737 et al.]

### FREE AND REDUCED-RATE TRANSPORTATION CASE

#### NOTICE OF ORAL ARGUMENT

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on April 17, 1951, at 10:00 a. m., e. s. t., in Room 5042, Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before the Board.

Dated at Washington, D. C., February 28, 1951.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,  
Secretary.

[F. R. Doc. 51-2911; Filed, Mar. 5, 1951;  
8:52 a. m.]

## FEDERAL COMMUNICATIONS COMMISSION

[Designation Order No. 55]

### DESIGNATION OF MOTIONS COMMISSIONER FOR MARCH 1951

At a session of the Federal Communications Commission held at its offices in Washington, D. C. on the 21st day of February 1951.

It is ordered, Pursuant to section 0.111 of the Statement of Delegations of Authority, that Robert F. Jones, Commissioner, is hereby designated as Motions Commissioner for the month of March 1951.

It is further ordered, That in the event said Motions Commissioner is unable to act during any part of said period the Chairman or Acting Chairman will designate a substitute Motions Commissioner.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2913; Filed, Mar. 5, 1951;  
8:52 a. m.]

[Docket No. 9712]

CECIL W. ROBERTS (KREI)

### ORDER SCHEDULING HEARING AND AMENDING ISSUES

In re application of CECIL W. ROBERTS (KREI), Farmington, Missouri,

Docket No. 9712, File No. BP-7572, for construction permit.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 21st day of February 1951;

The Commission having under consideration a petition filed on October 26, 1950, by Cecil W. Roberts requesting reconsideration and grant without hearing of the above-entitled application for construction permit to change frequency of Station KREI, Farmington, Missouri, from 1350 kilocycles to 800 kilocycles;

It appearing that, on June 22, 1950, the said application was designated for a hearing in a consolidated proceeding with the application of Pyramid Radio Broadcasting and Television Company, Incorporated (File No. BP-7610, Docket No. 9713) for a new standard broadcast station at West Frankfort, Illinois, and that Johnson County Broadcasting Corporation, licensee of Station KXIC, Iowa City, Iowa, was made a party to the proceeding; and

It further appearing that on August 25, 1950, the petition of Pyramid Radio Broadcasting and Television Company, Incorporated, requesting leave to amend and removal of its application, as amended, from the hearing docket was granted; and

It further appearing that, in support of the instant request for relief, petitioner alleges that the proposed operation of Station KREI would not involve objectionable interference with Station KXIC, Iowa City, Iowa, and that in the absence of such interference the proposal is in compliance with the Commission's rules and the Standards of Good Engineering Practice; and

It further appearing that the engineering affidavit submitted in support of petitioner's allegations with reference to the interference with Station KXIC, Iowa City, Iowa, does not show either by reference to the Commission's Standards of Good Engineering Practice or to actual measurements made in accordance with the methods prescribed by the Commission's Standards of Good Engineering Practice that electrical interference will not be caused to Station KXIC in that soil conductivity used for two hundred miles of the two hundred seventy-five mile path from Station KREI to Station KXIC was lower than shown on the Commission's map of soil conductivities and that the use of such lower conductivity was based solely on opinion and petitioner's analysis of certain measurements made on Station KWK, St. Louis, Missouri;

It further appearing that the said measurements on Station KWK extend for a distance of only twenty miles, are not on a direct bearing of the direction concerned, and under the Commission's Standards of Good Engineering Practice cannot be used to determine conductivities beyond the measured distances and accordingly, petitioner has not shown that a grant of the above-entitled application would be consistent with § 1.382 of the Commission's rules; and

It further appearing that the applicant is legally, technically, financially and otherwise qualified to operate Sta-

tion KREI as proposed, and that the type and character of program service proposed to be rendered would meet the requirements of the populations and areas proposed to be served.

It is ordered, That the said petition is denied and that hearing on the said application of Cecil W. Roberts shall commence at 10:00 a. m., on April 24, 1951 at Washington, D. C.

It is further ordered, That on the Commission's own motion, all issues in the order of June 22, 1950, designating the above-entitled application for hearing are deleted therefrom and the following issues are substituted therefor:

1. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Station KREI as proposed and the character of other broadcast service available to these areas and populations.

2. To determine whether the operation of Station KREI as proposed would involve objectionable interference with Station KXIC, Iowa City, Iowa, or with any other existing broadcast stations and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

3. To determine whether the operation of Station KREI as proposed would involve objectionable interference with the services proposed in any other pending applications for broadcast facilities and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

4. To determine whether the installation and operation of Station KREI as proposed would be in compliance with the Commission's rules and standards of good engineering practice concerning standard broadcast stations.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2918; Filed, Mar. 5, 1951;  
8:54 a. m.]

[Docket No. 9741]

LOGAN BROADCASTING CORP. (WVOW)

### ORDER CONTINUING HEARING

In re application of Logan Broadcasting Corp. (WVOW), Logan, West Virginia, Docket No. 9741, File No. BMP-5144; for modification of construction permit.

The Commission having under consideration the petition of the applicant herein, filed February 15, 1951, requesting that the hearing upon its application, now scheduled for March 1, 1951, be continued for approximately three months;

It appearing that petitioner is permittee of Station WVOW, Logan, West Virginia, presently under construction, with authority to operate during unlimited hours on the frequency of 1290 kilocycles, with power output of 5 kilowatts during the day and 1 kilowatt at night, directionalized, and, in the above-en-



titled application, petitioner is seeking to increase the nighttime power output to 5 kilowatts, directionalized;

It appearing further that petitioner is desirous of making measurements with regard to its proposed nighttime operation based upon the station's presently authorized night power output of 1 kilowatt, and such measurements cannot be undertaken until May 15, 1951, the date on which petitioner estimates that construction on its station will have been completed;

It appearing further that the results of the measurements contemplated by petitioner would constitute the most satisfactory evidence regarding the effects of the nighttime operation herein proposed;

It appearing further that good cause has been shown in support of the petition, and that all parties to the proceeding have received notice thereof and have not interposed objection thereto;

It is ordered, This 26th day of February 1951, that the petition under consideration be, and it is hereby, granted, and the hearing on the above-entitled application, presently scheduled for March 1, 1951, is continued to June 4, 1951.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2920; Filed, Mar. 5, 1951;  
8:54 a. m.]

[Docket No. 9787]

FRANCIS J. MATRANGOLA

ORDER SCHEDULING HEARING AND DELETING  
ISSUE

In re application of Francis J. Matrangola, Wildwood, New Jersey, Docket No. 9787, File No. BP-7659; for construction permit.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 21st day of February 1951;

The Commission having under consideration a petition filed on November 17, 1950, by Francis J. Matrangola requesting reconsideration and grant without hearing of the above-entitled application as amended for a permit to construct a new standard broadcast station to operate on frequency 1230 kilocycles, with 100 watts power, unlimited time at Wildwood, New Jersey, and also having under consideration an opposition thereto filed on November 30, 1950, by Maryland Broadcasting Company, licensee of Station WITH, Baltimore, Maryland;

It appearing that the said application was designated for hearing by Commission order of September 6, 1950 and that Eastern States Broadcasting Corporation and Maryland Broadcasting Company, licensees of Stations WSNJ, Bridgeton, New Jersey, and WITH, Baltimore, Maryland, respectively were made parties to the proceeding; and

It further appearing that on November 27, 1950, petition to amend the said application to specify power of 100 watts in lieu of the 250 watts originally specified and to make other changes was

granted and the amendment accepted; and

It further appearing that in support of the requested relief petitioner contends, on the basis of field intensity measurements submitted with the said amendment, that no objectionable interference would be involved to Station WSNJ and, on the basis of an interference study using Commission soil map conductivities, that no objectionable interference would be involved with Station WITH; and

It further appearing that in a letter dated November 27, 1950, the licensee of Station WSNJ informed the Commission that it had no objection to a grant of the above-entitled application as amended, but that, on the basis of field intensity measurements submitted in support of its aforesaid opposition which disclosed objectionable interference will be involved with Station WITH, Maryland Broadcasting Company, licensee of Station WITH requests its right to contest a grant of the said application in a hearing;

It is ordered, That the said petition for reconsideration and grant without hearing is denied; and

It is further ordered, That Eastern States Broadcasting Company is removed as a party to the proceeding, that hearing on the above-entitled application shall commence at 10:00 a. m. on April 24, 1951, at Washington, D. C., and that issue 2 in the said order of September 6, 1950, designating the above-entitled application for hearing is amended to delete therefrom specific reference to Station WSNJ, Bridgeton, New Jersey.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2917; Filed, Mar. 5, 1951;  
8:53 a. m.]

[Docket No. 9830]

ROBERT S. ROUNSAVILLE (WQXI)

ORDER DESIGNATING APPLICATION FOR  
HEARING ON STATED ISSUES

In re application of Robert S. Rounsaville (WQXI), Atlanta, Georgia, Docket No. 9830, File No. BP-7645; for construction permit.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 21st day of February 1951;

The Commission having under consideration the above-entitled application to change facilities from 790 kilocycles, 5 kilowatts power, daytime only to 790 kilocycles, 1 kilowatt, 5 kilowatts—LS, with a directional antenna for night use, unlimited time, to make changes in the transmitting equipment and to change location designation from Buckhead, Georgia, to Atlanta, Georgia; and

It appearing that the applicant is legally, technically, financially and otherwise qualified to operate Station WQXI as proposed, but that the application may not comply with the Standards of Good Engineering Practice;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of

1934, as amended, the said application is designated for hearing commencing at 10:00 a. m. on April 18, 1951, at Washington, D. C., upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Station WQXI, as proposed, and the character of other broadcast service available to such areas and populations.

2. To determine whether the installation and operation of Station WQXI, as proposed, would be in compliance with the Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations, with particular reference to coverage to the Atlanta metropolitan district; and to the ratio of the population within the normally protected and actual nighttime interference-free contours to the population which would receive satisfactory service.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2914; Filed, Mar. 5, 1951;  
8:53 a. m.]

[Docket No. 9865]

STATION WTNJ

ORDER CONTINUING HEARING

In the matter of revocation of license of Station WTNJ, Trenton, New Jersey; Docket No. 9865.

The Commission having under consideration the above-entitled matter presently scheduled to be heard on February 26 at Trenton, New Jersey, and March 7 at New York, New York; and on petition filed by counsel for the licensee on February 14, 1951, requesting that the hearing presently scheduled be continued indefinitely, and on supplemental petition for continuance filed by counsel for the licensee on February 19, 1951, requesting that the hearing now scheduled to commence at Trenton, New Jersey, on February 26, 1951, be scheduled to commence at Trenton, New Jersey, on March 16, 1951;

It is ordered, This 21st day of February 1951, that pursuant to petition of counsel for licensee and concurrence by counsel for the Commission, that the hearing in the above-entitled matter is continued to Friday, March 16, 1951, at 10:00 a. m.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2919; Filed, Mar. 5, 1951;  
8:54 a. m.]

[Docket Nos. 9894-9896, 9912]

BOOTH RADIO AND TELEVISION STATIONS,  
INC., ET AL.

ORDER DESIGNATING APPLICATION FOR CON-  
SOLIDATED HEARING ON STATED ISSUES

In re applications of Booth Radio & Television Stations, Inc., Lansing, Michigan, Docket No. 9894, File No. BP-7905;



John C. Pomeroy, Pontiac, Michigan, Docket No. 9895, File No. BP-7811; Adelaide Lillian Carrell, Flint, Michigan, Docket No. 9896, File No. BP-7840; Harry A. McDonald, Jr. and Ray A. Shapero d/b as Oakland Broadcasting Company, Pontiac, Michigan, Docket No. 9912, File No. BP-7984, for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 21st day of February 1951;

The Commission having under consideration the above-entitled application of Harry A. McDonald, Jr. and Ray A. Shapero d/b as Oakland Broadcasting Company for a permit to construct a new standard broadcast station to be operated on the frequency 1460 kilocycles, with a power of 500 watts, daytime only at Pontiac, Michigan;

It appearing that the Commission on January 29, 1951 designated for hearing in a consolidated proceeding the above-entitled applications of Booth Radio and Television Stations, Inc., John C. Pomeroy and Adelaide Lillian Carrell, which hearing is presently scheduled for March 22, 1951;

It is ordered, That pursuant to section 309 (a) of the Communications Act of 1934, as amended, the above-entitled application of Harry A. McDonald, Jr. and Ray A. Shapero d/b as Oakland Broadcasting Company is designated for hearing in a consolidated proceeding with the other three above-entitled applications, the said hearing to be held at 10:00 a. m. on March 22, 1951, at Washington, D. C., upon the following issues:

1. To determine the legal, technical, financial and other qualifications of the applicant partnership and its partners to operate the proposed station.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of the proposed station, and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of the proposed station would involve objectionable interference with any other existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of the proposed station would involve objectionable interference with the other three applications in the subject proceeding, or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

6. To determine whether the installation and operation of the proposed station would be in compliance with the Commission's rules and standards of good engineering practice concerning standard broadcast stations.

7. To determine on a comparative basis which, if any, of the applications in this consolidated proceeding should be granted.

It is further ordered, That the Commission's Order of January 29, 1951 designating for hearing the above-entitled applications of Booth Radio and Television Stations, Inc., John C. Pomeroy and Adelaide Lillian Carrell is amended to include the above-entitled application of Harry A. McDonald, Jr. and Ray A. Shapero d/b as Oakland Broadcasting Company.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2916; Filed, Mar. 5, 1951;  
8:53 a. m.]

[Docket Nos. 9910, 9911]

CITY BROADCASTING CORP. AND GARDNER  
BROADCASTING CO. (WHOB)

ORDER DESIGNATING APPLICATIONS FOR CON-  
SOLIDATED HEARING ON STATED ISSUES

In re applications of City Broadcasting Corporation, Nashua, New Hampshire, Docket No. 9910, File No. BP-7919; The Gardner Broadcasting Company (WHOB), Gardner, Massachusetts, Docket No. 9911, File No. BP-7980; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 21st day of February 1951;

The Commission having under consideration the above-entitled applications of City Broadcasting Corporation for a new standard broadcast station on the frequency 1340 kilocycles, with 250 watts of power, unlimited time at Nashua, New Hampshire; and of The Gardner Broadcasting Company for a change of frequency from 1490 kilocycles to 1340 kilocycles at Station WHOB, Gardner, Massachusetts;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding commencing at 10:00 a. m. on April 20, 1951, at Washington, D. C., upon the following issues:

1. To determine the legal, technical, financial and other qualifications of City Broadcasting Corporation and the technical, financial and other qualifications of The Gardner Broadcasting Company to operate the proposed station and Station WHOB as proposed.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of the proposed station and Station WHOB as proposed, and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of the proposed station at Nashua, New Hampshire, would involve objection-

able interference with Station WLNH, Laconia, New Hampshire; and to determine whether the operation of the proposed station and Station WHOB as proposed would involve objectionable interference with any other existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of the proposed station and Station WHOB as proposed would involve objectionable interference, each with the other, or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

6. To determine whether the installation and operation of the proposed station and Station WHOB as proposed would be in compliance with the Commission's rules and standards of Good Engineering Practice Concerning Standard Broadcast Stations.

7. To determine on a comparative basis which, if either, of the applications in this consolidated proceeding should be granted.

It is further ordered, That Northern Broadcasting Corporation, licensee of Station WLNH, Laconia, New Hampshire, is made a party to this proceeding with respect to the application of the City Broadcasting Company only.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 51-2915; Filed, Mar. 5, 1951;  
8:53 a. m.]

## FEDERAL POWER COMMISSION

[Docket No. G-1604]

CONSOLIDATED EDISON CO. OF NEW YORK,  
INC.

NOTICE OF APPLICATION

FEBRUARY 28, 1951.

Take notice that on February 5, 1951, Consolidated Edison Company of New York, Inc. (Applicant), a New York corporation having its principal place of business in New York City, N. Y., filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain natural gas facilities hereinafter described.

Applicant seeks authority to install and operate check metering equipment consisting of orifice meters in each of Transcontinental Gas Pipe Line Corporation's meter tubes together with the necessary temperature recorders. The entire installation of Applicant will be adjacent to Transcontinental's own metering installations. Transcontinental's meter tubes will be installed in a metering and regulating station to be constructed and operated on Staten Island by Transcontinental, and will connect through a header at one end of



said station with an extension from Transcontinental's main pipe line at Linden, New Jersey, across Arthur Kill, Staten Island. On the other end of such meter station they will likewise connect with a further pipe line extension of Transcontinental across the Narrows to a point at Bay Ridge in Brooklyn, New York.<sup>1</sup>

The estimated over-all cost of Applicant's proposed facilities will approximate \$8,000.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 21st day of March 1951. The application is on file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,  
Acting Secretary.

[F. R. Doc. 51-2897; Filed, Mar. 5, 1951;  
8:48 a. m.]

[Docket No. G-1610]

MONTANA-DAKOTA UTILITIES CO.

## NOTICE OF APPLICATION

FEBRUARY 28, 1951.

Take notice that Montana-Dakota Utilities Co. (Applicant), a Delaware corporation, of 831 Second Avenue South, Minneapolis 2, Minnesota, filed on February 13, 1951, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing the acquisition, construction and operation of certain natural gas facilities described as follows:

(1) Acquire and operate the properties of Billings Gas Company consisting of a desulphurization and dehydration plant in the Garland Field in Big Horn County, Wyoming; a compressor station located in Elk Basin Field in Park County, Wyoming; approximately 88 miles of partially looped pipeline extending from the Garland Field to the City of Billings, Montana; approximately 22 miles of lateral and gathering lines; and the distribution systems serving natural gas at retail in Billings, Laurel, Park City, Silesia, Joliet, Edgar, Fromberg, Bridger, and Belfry, Montana.

(2) Acquire and operate certain of the properties of The Rocky Mountain Gas Company consisting of approximately 41 miles of pipeline supplying gas at retail in Cowley, Lovell and Powell, Wyoming; the distribution systems in Cowley, Lovell and Powell, Wyoming; and a sour gas pipeline extending from the Garland Field to Lovell, Wyoming.

(3) Acquire and operate all of the properties of Big Horn Gas Company consisting principally of approximately 88 miles of pipeline which includes a 12-inch and 14-inch pipeline extending from the Little Buffalo Basin Field in Big Horn County, Wyoming, to Basin and Greybull in Big Horn County, Wyoming; an 8-inch branch line to Worland in

Washaki County, Wyoming; and an 8-inch branch line to Grass Creek Field in Hot Springs County, Wyoming.

(4) Construct and operate facilities to interconnect the facilities proposed to be acquired with the Worland Pipe Line (owned by Montana-Wyoming Gas Pipe Line Co. but operated by Applicant), as follows:

(a) Approximately 12½ miles of 8-inch pipeline extending from Elk Basin Compressor Plant of Billings Gas Company to a point on the Worland Pipe Line in Carbon County, Montana.

(b) Approximately 550 feet of 6-inch pipeline connecting the Worland Pipe Line to the Garland-Lovell Pipe Line of The Rocky Mountain Gas Company near the Lovell Town Border Station.

(c) Approximately 3½ miles of 12-inch pipeline connecting the 14-inch line of Big Horn Gas Company with the Worland Compressor Station in Washaki County, Wyoming.

(5) Construction and operation of a compressor station consisting of two 330 hp. compressor units together with dehydration facilities in the Little Buffalo Basin Field.

Two 880 hp. compressor units and other necessary equipment will be constructed at the Worland Compressor Station by Montana-Wyoming Gas Pipe Line Co. but will be operated by Applicant under lease.

The application states that Applicant proposes to operate the facilities to be acquired from Billings Gas Company and The Rocky Mountain Gas Company as a single operating division known as its Billings Division which will be interconnected with Applicant's existing system. Applicant's pipeline and production department will operate the properties to be acquired from Big Horn Gas Company, together with the Worland pipeline.

The application also recites that applicant proposes to continue the natural gas service being rendered by the companies to be acquired and that Applicant expects to expand its facilities to take care of the growing demands within the communities now being served by these companies, but does not contemplate expansion to take in additional communities.

The estimated cost of facilities to be acquired is \$4,770,389, and the estimated cost of facilities to be constructed is \$1,093,705, making a total over-all cost of acquisition and construction of \$5,864,094. Applicant proposes to finance the proposed acquisitions and construction and to fund presently outstanding short term bank loans in the amount of \$5,800,000 as one operation by the sale of common and preferred stock and mortgage bonds in the aggregate net amount of \$11,500,000.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and

procedure (18 CFR 1.8 or 1.10) on or before the 21st day of March 1951. The application is on file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,  
Acting Secretary.

[F. R. Doc. 51-2896; Filed, Mar. 5, 1951;  
8:47 a. m.]

[Docket No. G-1611]

BILLINGS GAS CO.

## NOTICE OF APPLICATION

FEBRUARY 28, 1951.

Take notice that Billings Gas Company (Applicant), a Montana corporation, of Billings, Montana, filed on February 13, 1951, an application pursuant to section 7 (b) of the Natural Gas Act for permission and approval to abandon by sale to Montana-Dakota Utilities Co. all of its facilities, subject to the jurisdiction of the Commission and the service rendered by means of such facilities.

The facilities proposed to be abandoned by sale to Montana-Dakota Utilities Co. are described as follows:

(1) Approximately 87 miles of pipeline extending from the Garland Field in Big Horn County, Wyoming, to Billings, Montana, together with laterals and appurtenant facilities;

(2) A compressor station of 1,335 h. p. capacity located in the Elk Basin Field in Park County, Wyoming;

(3) A desulphurization and dehydration plant in the Garland Field;

(4) An underground storage area in the Cloverly Sand in the Elk Basin Field;

(5) Gas distribution systems in Billings, Laurel, Park City, Silesia, Joliet, Edgar, Fromberg, Bridger and Belfry, Montana, and a general office structure and warehouse structure located in Billings, Montana.

A description of the facilities and the services now performed by the Applicant which are proposed to be assumed by Montana-Dakota Utilities Co. are set forth in the application filed by Montana-Dakota at Docket No. G-1610.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 21st day of March 1951. The application is on file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,  
Acting Secretary.

[F. R. Doc. 51-2895; Filed, Mar. 5, 1951;  
8:47 a. m.]

[Docket No. G-1615]

BROOKLYN UNION GAS CO.

## NOTICE OF APPLICATION

FEBRUARY 28, 1951.

Take notice that on February 19, 1951, The Brooklyn Union Gas Company (Applicant), a New York corporation having its principal place of business in Brooklyn, New York, filed an application for

<sup>1</sup>See, In the Matter of Transcontinental Gas Pipe Line Corporation, Docket No. G-1414.

<sup>2</sup>See Docket No. G-1229, In the Matter of Montana-Wyoming Gas Pipe Line Co., et al. order of December 1, 1949, Opinion No. 187, wherein the Commission found Montana-Wyoming not to be a "natural-gas company."



a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain natural gas transmission facilities hereinafter described.

Applicant seeks authorization to construct and operate in its franchise area in the Borough of Brooklyn a 10.75-inch O. D. pipeline approximately 3,700 feet in length extending from a point on its existing 20-inch pipeline at or near the intersection of Penn Street and Bedford Avenue to the Williamsburg Power Plant of the Board of Transportation of the City of New York, together with appurtenant facilities.

The estimated total capital cost of Applicant's proposed construction will approximate \$110,000 and will be financed out of funds derived from Applicant's operations.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 21st day of March 1951. The application is on file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,  
Acting Secretary.

[F. R. Doc. 51-2898; Filed, Mar. 5, 1951;  
8:48 a. m.]

[Docket No. IT-5519]

BONNEVILLE PROJECT, COLUMBIA RIVER,  
OREGON-WASHINGTON

#### NOTICE OF REQUEST FOR APPROVAL OF GENERAL RATE SCHEDULE PROVISION

FEBRUARY 27, 1951.

Notice is hereby given that the Administrator of the Bonneville Project has filed with the Federal Power Commission for confirmation and approval, pursuant to the provisions of the Bonneville Act (50 Stat. 731), as amended, a revision of section 15.1 of its general rate schedule provisions providing for the sale of interruptible power.

The revised proposed General Rate Schedule Provision 15.1 reads as follows:

#### SECTION 15.1 OF GENERAL RATE SCHEDULE PROVISIONS

(Effective )

15.1 Sale of interruptible power. Interruptible power is power which the Administrator agrees by contract to deliver except when curtailed by him upon such reasonable notice as may be specified therein. The wholesale power rate schedules applicable to the sales of firm power by the Administrator shall also apply to sales of interruptible power, subject to the following provisions:

(1) Contract demand and computed demand shall not be considered in the determination of billing demand for interruptible power;

(2) The minimum monthly charge included in such schedules shall not be applied, but a minimum billing demand may be included in any contract which provides that the purchaser will purchase a specified amount of such power, and such minimum billing demand shall apply except when deliveries are curtailed below such amount;

(3) If the Administrator curtails deliveries during any billing period:

(a) The rates per kilowatt and the energy blocks, if any, stated in the schedules shall be prorated according to the ratio of the time in each portion of the billing period during which the same restrictions were continuously in effect to the total time in such billing period, and

(b) The billing demand for interruptible power for such portion of the billing period shall be the highest 30-minute registered demand, adjusted for the average power factor for the entire billing period, less the billing demand for firm power, if any, included in such registered demand.

Any person desiring to make comments or suggestions for Commission consideration with respect to the foregoing should submit the same on or before March 19, 1951, to the Federal Power Commission, Washington, D. C.

[SEAL]

J. H. GUTRIDE,  
Acting Secretary.

[F. R. Doc. 51-2899; Filed, Mar. 5, 1951;  
8:49 a. m.]

[Docket No. G-1148]

PHILLIPS PETROLEUM CO.

#### ORDER FIXING DATE OF HEARING

FEBRUARY 27, 1951.

On December 15, 1950, Phillips Petroleum Company (Phillips) filed a motion seeking an order continuing the hearing in this matter, then set for January 8, 1951, for the duration of the present National Emergency, and in support thereof alleged increased obligations in the national defense effort. On December 19, 1950, the Commission entered an order postponing the hearing to a date to be fixed by further order of the Commission.

Thereafter, the City of Detroit, Michigan, intervener, filed a protest against any continuance. The State of Wisconsin and the Wisconsin Public Service Commission, interveners, filed a motion suggesting that the case be set for a day certain for the taking of a portion of the evidence; and Phillips filed a response in opposition thereto. Intervener Kansas City, Missouri, filed a motion asking that the proceeding be set down for a complete hearing. The County of Wayne, Michigan, intervener, filed a supporting motion favoring the setting of the proceeding for hearing.

The Commission finds: Sufficient cause has not been shown which justifies further postponement of the hearing upon the matters involved in this proceeding.

The Commission orders: The hearing in this proceeding heretofore set for January 8, 1951, be and the same is hereby reset to commence on April 3, 1951, at 10:00 a. m., c. s. t., in the Federal Court Room, U. S. Post Office Building, Bartlesville, Oklahoma.

Date of issuance: February 28, 1951.

By the Commission.

[SEAL]

J. H. GUTRIDE,  
Acting Secretary.

[F. R. Doc. 51-2879; Filed, Mar. 5, 1951;  
8:45 a. m.]

## INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 25879]

RYE FROM MINNESOTA AND WISCONSIN TO  
PEORIA, ILL.

#### APPLICATION FOR RELIEF

MARCH 1, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. E. Kipp, Agent, for the Chicago and North Western Railway Company and other carriers named in the application.

Commodities involved: Rye and products thereof, carloads.

From: Duluth, Minn., Itasca, Superior and Superior East End, Wis.

To: Peoria, Ill.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: L. E. Kipp's tariff I. C. C. No. A-3866, Supp. 1

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL]

W. P. BARTEL,  
Secretary.

[F. R. Doc. 51-2892; Filed, Mar. 5, 1951;  
8:46 a. m.]

[4th Sec. Application 25880]

ALCOHOLIC LIQUORS FROM PEORIA AND  
PEKIN, ILL. TO SOUTHERN TERRITORY

#### APPLICATION FOR RELIEF

MARCH 1, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for carriers parties to Agent R. G. Raasch's tariffs I. C. C. Nos. 620 and 699, pursuant to fourth-section order No. 16101.

Commodities involved: Alcoholic liquors, including wine, carloads.

From: Peoria and Pekin, Ill.

To: Specified points in southern territory.

Grounds for relief: Circuitous routes and operation through higher-rated territory.



Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL]

W. P. BARTEL,  
Secretary.

[F. R. Doc. 51-2893; Filed, Mar. 5, 1951;  
8:47 a. m.]

[No. 30760]

#### MISSISSIPPI INTRASTATE EXPRESS RATES AND CHARGES

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 14th day of February A. D. 1951.

It appearing, that a petition, dated December 29, 1950, has been filed on behalf of the Railway Express Agency, Incorporated, a common carrier of express, principally by railroad, operating to, from, and between points in the State of Mississippi, averring that in Ex Parte No. 163, Increased Rates and Charges, 1946, 266 I. C. C. 369, 269 I. C. C. 161, by order dated February 20, 1948, and 273 I. C. C. 231, and Ex Parte No. 169, Increased Express Rates and Charges, 1949, 277 I. C. C. 249, this Commission authorized certain increases in interstate express rates and charges throughout the United States, which, with certain other increased express rates and charges published by petitioner on statutory notice have become effective, and that the Mississippi Public Service Commission, by orders dated on and after March 4, 1948, has refused to authorize or permit said petitioner to apply to the transportation of express, moving intrastate by railroad in Mississippi, increases in rates and charges corresponding to those approved for interstate application in the proceedings above cited, or published by petitioner on statutory notice for application on interstate traffic; such refusals being alleged in the manner and to the extent as stated in the said petition dated December 29, 1950, which petition so filed is referred to for greater certainty;

It further appearing, that the said petition brings in issue express rates and charges made or imposed by authority of the State of Mississippi;

It further appearing, that said petitioner alleges that the intrastate express rates and charges which it is required to maintain for the transportation of property as aforesaid, moving intrastate by railroad in Mississippi as a result of such refusals by the Mississippi Public

Service Commission, cause undue and unreasonable advantage, preference, and prejudice as between persons and localities in intrastate commerce, on the one hand, and interstate commerce, on the other hand, and undue, unreasonable, and unjust discrimination against interstate and foreign commerce in violation of sections 13 (4) and 15a (2) of the Interstate Commerce Act;

It is ordered, That in response to the said petition, an investigation be, and it is hereby, instituted, and that a hearing be held therein for the purpose of receiving evidence from the respondent hereinafter designated and any other persons interested, to determine whether the express rates and charges of the Railway Express Agency, Incorporated, between points in Mississippi made or imposed by authority of the State of Mississippi cause undue or unreasonable advantage, preference, or prejudice between persons or localities in intrastate commerce, on the one hand, and interstate or foreign commerce, on the other hand, or any undue, unreasonable, or unjust discrimination against interstate or foreign commerce, and to determine what express rates and charges, if any, or what maximum or minimum or maximum and minimum express rates and charges shall be prescribed to remove the unlawful advantage, preference, or discrimination, if any, that may be found to exist;

It is further ordered, That the Railway Express Agency, Incorporated, be, and it is hereby, made respondent to this proceeding; that a copy of this order be served upon said respondent; and that the State of Mississippi be notified of this proceeding by sending copies of this order and of the said petition by registered mail to the Governor of the said State and to the Mississippi Public Service Commission at Jackson, Miss.;

It is further ordered, That notice of this proceeding be given to the public by depositing a copy of this order in the office of the Secretary of the Commission, at Washington, D. C., and by filing a copy with the Director, Division of the Federal Register, Washington, D. C.;

And it is further ordered, That this proceeding be assigned for hearing at a time and place hereafter to be fixed.

By the Commission, Division 1.

[SEAL]

W. P. BARTEL,  
Secretary.

[F. R. Doc. 51-2894; Filed, Mar. 5, 1951;  
8:47 a. m.]

#### SECURITIES AND EXCHANGE COMMISSION

[File No. 7-1267]

THE SOUTHERN CO.

#### NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its offices in the city of Washington, D. C., on the 28th day of February A. D. 1951.

The New Orleans Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and

Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, \$5.00 Par Value, of The Southern Company, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to March 9, 1951, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,  
Secretary.

[F. R. Doc. 51-2888; Filed, Mar. 5, 1951;  
8:46 a. m.]

[File No. 7-1290]

#### GULF STATES UTILITIES CO.

#### NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of February A. D. 1951.

The New Orleans Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, No Par Value, of Gulf States Utilities Company, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to March 9, 1951, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of



the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBois,  
Secretary.

[F. R. Doc. 51-2889; Filed, Mar. 5, 1951;  
8:46 a. m.]

[File No. 70-2529]

REPUBLIC SERVICE CORP.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 27th day of February A. D. 1951.

Republic Service Corporation ("Republic"), a registered holding company has filed a post-effective amendment to a declaration heretofore permitted to become effective by the Commission; said amendment having been filed pursuant to section 12 of the Public Utility Holding Company Act of 1935 ("act") with respect to the following:

On December 18, 1950, the Commission approved the sale by Republic of the common stock of Abington Electric Company to Scranton Electric Company ("Scranton"), for a consideration of 60,000 shares of \$5 par value common stock of Scranton plus cash, and the distribution by Republic to its stockholders, as a partial liquidating dividend, of 56,259 out of the 60,000 shares of Scranton stock to be received (Holding Company Act Release No. 10292). The Commission's approval of the distribution of the Scranton stock was subject to the condition, among others, that if the proposed distribution were not effected in the year 1950, distribution could not thereafter be effected until Republic should have submitted for the record a statement setting forth the method of distribution and the accounting entries in connection therewith, and until a further order should have been entered by the Commission. The filing states that Republic was unable to effect the proposed distribution in the year 1950.

Republic now proposes to distribute to its stockholders, as a partial liquidating dividend, 56,259 shares of the Scranton stock on the basis of  $\frac{1}{10}$  share of Scranton for each share of Republic. The amount of Republic's investment in said shares will be charged to capital surplus, to the extent thereof, and to earned surplus; the par amount of Republic's common stock will not be reduced. Of the remaining 3,741 shares of the Scranton stock not required for such distribution, all but 140 shares have been sold and it is anticipated that these remaining shares will be sold in the near future. Republic proposes to make the distribution, in partial liquidation, on March 12, 1951, to stockholders of record as of February 28, 1951. The shares of Scranton will be transmitted to Republic's stockholders of record by Provident Trust Company of Philadelphia ("Provident"), Distribu-

tion Agent. Only full shares of Scranton stock will be distributed, and holders entitled to fractional shares will receive in lieu of fractional shares registered Certificates of Interest in shares of Scranton stock; these Certificates of Interest when accumulated in amounts aggregating one or more full shares may be exchanged for shares of Scranton stock, and, unless so accumulated and presented for whole shares, shall expire at the end of six months after issuance, at which time Provident shall sell the shares of Scranton stock representing unexchanged Certificates of Interest and hold the proceeds for the account of stockholders entitled thereto, subject to subsequent disposition acceptable to Republic and the Commission. Republic agrees to report to the Commission within three months from the date of distribution as to the number of shares of Scranton stock still unclaimed, including such stock to which holders of unexchanged shares of Republic's formerly outstanding preferred stock may be entitled. Republic further agrees, if the Commission deems such action necessary and appropriate, to employ some method of personal solicitation and search, satisfactory to the Commission, for the purpose of locating and notifying holders of Republic's common stock who have not theretofore claimed their distribution of shares of Scranton, and holders of Republic's formerly outstanding preferred stock who have not theretofore exchanged such stock for Republic's common stock.

Republic proposes to publish once a week for three successive weeks in a newspaper of general circulation in New York City a notice of the proposed distribution, and to send a similar notice to its stockholders.

Because of the inability to effect the distribution in the year 1950, the previous estimate of fees and expenses has been revised from \$1,300, including legal fees of \$500, to \$1,800, including legal fees of \$800.

Said amendment to the declaration having been filed on February 5, 1951, and notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to the Act, and the Commission not having received a request for hearing with respect to said declaration, as amended, within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said declaration, as amended, that the requirements of the applicable provision of the act and the rules and regulations promulgated thereunder are satisfied and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration, as amended, be permitted to become effective forthwith;

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the Public Utility Holding Company Act of 1935, that said declaration, as amended, with respect to the distribution by Republic, as a partial liquidating dividend, to its stockholders of 56,259 shares of the \$5 par value common stock of Scranton Electric Company, be, and the same

hereby is, permitted to become effective forthwith subject to the terms and conditions prescribed in Rule U-24.

It is further ordered, That jurisdiction be, and it hereby is, reserved to determine whether Republic shall be required to employ some method of personal solicitation and search for the purpose of locating and notifying holders of Republic's common stock who shall not have claimed their distribution of shares of Scranton, and holders of Republic's formerly outstanding preferred stock who have not exchanged such stock for Republic's common stock.

By the Commission.

[SEAL] ORVAL L. DuBois,  
Secretary.

[F. R. Doc. 51-2886; Filed, Mar. 5, 1951;  
8:45 a. m.]

[File No. 70-2562]

HOPE NATURAL GAS CO.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 27th day of February A. D. 1951.

Hope Natural Gas Company ("Hope"), a subsidiary of Consolidated Natural Gas Company, a registered holding company, having filed an application pursuant to the provisions of sections 9 (a) and 10 of the Public Utility Holding Company Act of 1935 with respect to the following proposed transactions:

Pineville Land Company, Inc., a West Virginia corporation ("Land Company"), proposes to build for its own account, sixteen residences in Wyoming County, West Virginia, and to rent or sell the same to employees of Hope who are badly in need of housing. In order to make this building program possible and to see that its employees are adequately housed it is necessary for Hope to partially finance such residential construction.

Land Company proposes to complete construction of the sixteen residences on or before September 1, 1951. Hope proposes to lend Land Company the sum of fifty-four hundred seventy-five (\$5,475.00) dollars for the construction of each of the sixteen residences or an aggregate of \$87,600. Each such loan is to be made in three installments as the work on each residence progresses. The first two installments of each loan are to be evidenced by temporary demand notes to be replaced when the third installment of the loan is made by a note for the full amount of the loan payable in monthly installments and maturing in slightly less than twenty years. Each loan is to be further secured by a deed of trust on the property. All notes will bear interest at the rate of four (4) per centum per annum and will be made by the Land Company, R. D. Bailey, W. C. Bailey, Jr., and W. M. Wilkinson, as joint and several makers thereof. These three individuals are the sole stockholders of Land Company and are not affiliated in any way with Hope.

As each residence is completed Land Company will lease the same to an em-



ployee of Hope with an option to purchase the same.

Said application having been filed on January 19, 1951, and notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for hearing with respect to said application within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said application that the requirements of the applicable provisions of the act and rules thereunder are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that the said application be granted:

*It Is Ordered*, Pursuant to Rule U-23 and the applicable provisions of said act, that the said application be, and hereby is, granted forthwith subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

'F. R. Doc. 51-2887; Filed, Mar. 5, 1951;  
8:45 a. m.]

## DEPARTMENT OF JUSTICE

### Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 17337]

#### GERMAN NATIONALS

In re: Bank account and stock owned by German nationals whose names are unknown. F-28-24581-A-1; E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the property described in subparagraph 3 hereof is being held by The Chase National Bank of the City of New York, 18 Pine Street, New York, New York, for the account of Anglo Dutch Banking & Trading Company, The Hague, Netherlands;

2. That although the names of the owners of the property described in subparagraph 3 hereof are not available, such persons who, if individuals, there is reasonable cause to believe are residents of Germany and, if partnerships, corporations, associations or other business organizations, there is reasonable cause to believe are organized under the laws of, or have or, on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in Germany, are nationals of a designated enemy country (Germany);

3. That the property described as follows:

a. Those certain shares of stock described in Exhibit A, attached hereto and by reference made a part hereof, presently in the custody of The Chase National Bank of the City of New York, 18 Pine Street, New York, New York, in a blocked account entitled "The Chase National Bank of the City of New York as custodian for Anglo Dutch Banking & Trading Company, The Hague, Netherlands," account numbered F86017, together with all declared and unpaid dividends thereon and any and all rights thereunder and thereto, and

b. That certain debt or other obligation of The Chase National Bank of the City of New York, 18 Pine Street, New York, New York, arising out of an account entitled "Anglo Dutch Banking & Trading Company A/CB", maintained at said bank and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by the persons referred to in subparagraph 2 hereof, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

#### EXHIBIT A

Name and address of issuing corporation	State of incorporation	Number of shares	Class of shares
General Electric Co., 1 River Rd., Schenectady, N. Y.	New York	50	Common.
Montgomery Ward & Co., Inc., 619 West Chicago Ave., Chicago, Ill.	Illinois	50	Do.
National Dairy Products Corp., 230 Park Ave., New York 17, N. Y.	Delaware	100	Do.
West Kentucky Coal Co., 444 South Main St., Madisonville, Ky.	New Jersey	5	Do.
Central Illinois Public Service Co., 607 Adams St., Springfield, Ill.	Illinois	32	Do.
Central & South West Corp., 902 Market St., Wilmington, Del.	Delaware	64	Do.
Detroit Edison Co., 60 Broadway, New York 4, N. Y.	New York	8	Capital.
The Kansas Power & Light Co., 808 Kansas Ave., Topeka, Kans.	Kansas	12	Common.
Kentucky Utilities Co., 159 West Main St., Lexington, Ky.	Kentucky	32	Do.
North American Co., 60 Broadway, New York 4, N. Y.	New Jersey	50	Do.
Potomac Electric Power Co., 929 E St. NW., Washington, D. C.	Incorporation under the laws of the United States.	12	Do.
Public Service Co. of Indiana, Inc., 110 North Illinois St., Indianapolis 9, Ind.	Indiana	8	Do.
Wisconsin Electric Power Co., Public Service Bldg., Milwaukee, Wis.	Wisconsin	13	Do.
Wisconsin Power & Light Co., 122 West Washington Ave., Madison 1, Wis.	.....do.....	16	Do.

[F. R. Doc. 51-2866; Filed, Mar. 2, 1951; 8:47 a. m.]

[Vesting Order 17388]

#### ALEXANDER ALBERT

In re: Bank account owned by Alexander Albert. F-28-7505.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Alexander Albert whose last known address is Germany, is a resident of Germany, and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Alexander Albert by The Harvard Trust Company, Cambridge,

Massachusetts, arising out of a dormant checking account entitled Alexander Albert, maintained at the aforesaid company, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as



a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 15, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2868; Filed, Mar. 2, 1951;  
8:48 a. m.]

[Vesting Order 17389]

HEDWIG BREHMER

In re: Debt owing to and bond owned by the personal representatives, heirs, next of kin, legatees and distributees of Hedwig Brehmer, deceased. F-28-7380.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the personal representatives, heirs, next of kin, legatees and distributees of Hedwig Brehmer, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation of Ladenburg, Thalmann & Co., 25 Broad Street, New York, New York, representing a blocked account carried on the books of said Ladenburg, Thalmann & Co., in the name of Hedwig Brehmer, and any and all rights to demand, enforce and collect the same, and

b. One (1) New York City 3%, 1977 Bond, of \$1,000.00 face value presently in the custody of Ladenburg, Thalmann & Co., 25 Broad Street, New York, New York, in an account in the name of Hedwig Brehmer, together with any and all rights thereunder and thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the personal representatives, heirs, next of kin, legatees and distributees of Hedwig Brehmer, deceased, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the personal representatives, heirs, next of kin, legatees and distributees of Hedwig Brehmer, deceased, referred to in subparagraph 1 hereof are not within a designated enemy

country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 15, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2925; Filed, Mar. 5, 1951;  
8:54 a. m.]

[Vesting Order 17394]

VEREINIGTE GLANZSTOFF-FABRIKEN A. G.

In re: Debt owing to Vereinigte Glanzstoff-Fabriken A. G. F-28-4577.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Vereinigte Glanzstoff-Fabriken A. G., the last known address of which is Auerschulstr. 14, Wuppertal Elberfeld, Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany and is a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of The Commercial National Bank and Trust Company of New York, evidenced by check number 414 in the amount of \$2,098.35 and check number 241 in the amount of \$2,216.70, representing the April 10, 1940, dividends on Class A and Class B common capital stock of North American Rayon Corporation, together with any and all rights to demand, enforce and collect the aforesaid debt or other obligation, and all rights in, to and under the aforesaid checks,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Vereinigte Glanzstoff-Fabriken A. G., the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the

national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 15, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2926; Filed, Mar. 5, 1951;  
8:54 a. m.]

[Vesting Order 17402]

WOLFF METTERNICH ZU GRACHT

In re: Stock owned by Wolff Metternich zu Gracht. F-28-31192.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Wolff Metternich zu Gracht, whose last known address is Castle Saltzweg, Euskirchen, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. Twenty (20) shares of \$100.00 par value common capital stock of Baltimore and Ohio Railroad Company, Baltimore and Ohio Building, Baltimore, Maryland, a corporation organized under the laws of the State of Maryland, evidenced by a certificate or certificates presently in the custody of the Belgian-American Banking Corporation, 67 Wall Street, New York 5, New York, in an account entitled "Banque de la Société Générale de Belgique", Liege, Belgium, together with all declared and unpaid dividends thereon,

b. Twenty (20) shares of no par value non-cumulative preferred capital stock of Great Northern Railway, Great Northern Building, Minneapolis, Minnesota, a corporation organized under the laws of the State of Minnesota, evidenced by a certificate or certificates presently in the custody of The Belgian-American Banking Corporation, 67 Wall Street, New York 5, New York, in an account entitled "Banque de la Société Générale de Belgique", Liege, Belgium, together with all declared and unpaid dividends thereon, and

c. That certain debt or other obligation of Belgian-American Banking Corporation, 67 Wall Street, New York 5,



New York, arising out of the receipt on and after May 10, 1940, of cash dividends derived from the shares of stock described in subparagraphs 2-a and 2-b hereof, constituting a portion of the sum of money on deposit in an account maintained by Banque de la Société Générale de Belgique, Liege, Belgium, with the aforesaid banking corporation, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Wolff Metternich zu Gracht, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 16, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2927; Filed, Mar. 5, 1951; 8:55 a. m.]

[Vesting Order 17404]

AMANDA MEESKE

In re: Debt owing to Amanda Meeske, also known as Amanda Meske. D-28-12873-G-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Amanda Meeske, also known as Amanda Meske, whose last known address is Reinsdorf, Dorfstr., 16 Unstr. by Vilzenburg, Kr. Guefurt, Sachsen, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Amanda Meeske, also known as Amanda Meske, by Platt, Henderson, Warner, Cram & Dickinson, 1115 United States National Bank Building,

Portland 4, Oregon, representing the distributive share of Amanda Meeske, also known as Amanda Meske, in the estate of Auguste Miller, deceased, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 16, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2928; Filed, Mar. 5, 1951; 8:55 a. m.]

[Vesting Order 17405]

TRANSOCEAN

In re: Debt owing to Transocean. D-28-12968.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Transocean, the last known address of which is Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany, and is a national of a designated enemy country (Germany);

2. That the property described as follows: Cash in the amount of \$1,271.00 as of February 5, 1951 in a special deposit account numbered 19F5875, maintained with the Treasurer of the United States, Treasury Department, Washington 25, D. C., and entitled "Special Deposits, Suspense, Department of State," to-

gether with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 16, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2929; Filed, Mar. 5, 1951; 8:55 a. m.]

[Vesting Order 17406]

BARBARA BRAUKMANN ET AL.

In re: Rights of Barbara Braukmann et al., under insurance contract. File No. F-28-24587-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Barbara Braukmann, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of John Braukmann, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That the net proceeds due or to become due under a contract of insurance evidenced by Policy No. 100520708, issued by the Metropolitan Life Insurance Company, New York, New York, to John Braukmann, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account



of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the person named in subparagraph 1 hereof and the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of John Braukmann, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 21, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2930; Filed, Mar. 5, 1951;  
8:55 a. m.]

[Vesting Order 17408]

JULIA A. GERMANN

In re: Estate of Julia A. Germann, deceased. File D-28-12948.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Johanna Haderlein, Rosa Tröhs, Antoinette Eichler, Karl Beetz, and George Beetz, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, in and to the Estate of Julia A. Germann, deceased, is property payable or deliverable to, or claimed by the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by Emma E. Germann Redington, as executrix, acting under the judicial supervision of the Surrogate Court, County of Kings, New York;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as

nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 21, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2931; Filed, Mar. 5, 1951;  
8:55 a. m.]

[Vesting Order 17409]

HENRY GROOS

In re: Estate of Henry Groos, deceased. File D 28-5178.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Kurt Groos, Ilse Groos Lehman, Hedwig Groos, Hans Heinrich Spies and Dieter Arnold, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, and each of them, in and to the estate of Henry Groos, deceased, is property payable or deliverable to, or claimed by the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by L. P. Johnson, Co-Executor, acting under the judicial supervision of the County Court of Harlan County, State of Kentucky,

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 21, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2932; Filed, Mar. 5, 1951;  
8:55 a. m.]

[Vesting Order 17411]

THERESIA HORSINKA

In re: Estate of Theresia Horsinka, deceased. File No. D 17-186.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Joseph Horsinka, Emil Horsinka and Karl Horsinka, who on or since the effective date of Executive Order No. 8389, as amended, and on or since December 11, 1941, have been residents of Germany are nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Joseph Horsinka, deceased, except Emilie Kolder (Kolderova), a resident of Czechoslovakia, who there is reasonable cause to believe are residents of Germany are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraphs 1 and 2 hereof, except Emilie Kolder (Kolderova), a resident of Czechoslovakia, in and to the sum of \$9,482.30 deposited with the Treasurer of Mahoning County, Ohio, to the credit of Joseph Horsinka, John Horsinka, Hedwig Hartmann, Francisca Horsinka and Franz Horsinka, pursuant to an order of the Probate Court of Mahoning County, Ohio, entered June 5, 1944, in the matter of the estate of Theresia Horsinka, deceased, together with any accumulations thereon, is property payable or deliverable to or claimed by the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by the Treasurer of Mahoning County, Ohio, as depositary, acting under the judicial supervision of the Probate Court of Mahoning County, Ohio;

and it is hereby determined:

5. That the national interest of the United States requires that Joseph Horsinka, Emil Horsinka, and Karl Horsinka be treated as nationals of a designated enemy country (Germany);

6. That to the extent that the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Joseph Horsinka, deceased, except Emilie Kolder (Kolderova), a resident of Czechoslovakia,



are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 21, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2933; Filed, Mar. 5, 1951;  
8:56 a. m.]

[Vesting Order 17413]

HANS A. SCHLIEPER

In re: Estate of Hans A. Schlieper, also known as Johannes A. Schlieper, deceased. File No. D-28-10944; E. T. sec. 17026.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Annette Casassa Schlieper, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, has been a resident of Germany, is a national of a designated enemy country (Germany);

2. That Olli Dietz, Anni Grote, Irma Verberne, Georg Schlieper and Walter Schlieper, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraphs 1 and 2 hereof, and each of them, in and to the Estate of Hans A. Schlieper, also known as Johannes A. Schlieper, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Annette Schlieper and Charles P. Franchot, as co-administrators, acting under the judicial supervision of the Surrogate's Court, Richmond County, New York;

and it is hereby determined:

5. That the national interest of the United States requires that the said Annette Casassa Schlieper be treated as a national of a designated enemy country (Germany);

6. That to the extent that the persons named in subparagraph 2 hereof are not

within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 21, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 51-2934; Filed, Mar. 5, 1951;  
8:56 a. m.]

[Vesting Order 17424]

ANNETTE CASASSA SCHLIEPER ET AL.

In re: Interest in household furniture, furnishings, and farm equipment owned by Annette Casassa Schlieper, and others. D-28-1328-B-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Annette Casassa Schlieper, Olli Dietz, Anni Grote and Irma Verberne, whose last known addresses are Garmisch, Partenkirchen, Germany, and Georg Schlieper and Walter Schlieper, whose last known addresses are Barmen, Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows: An undivided one-half ( $\frac{1}{2}$ ) interest in household furniture, furnishings, and farm equipment owned by the persons named in subparagraph 1 hereof, located within certain premises situated in the Township of Delaware, County of Pike, State of Pennsylvania, which said personal property is particularly described in Exhibit A, attached hereto and by reference made a part hereof,

is property within the United States, owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on February 21, 1951.

For the Attorney General.

[SEAL] PAUL V. MYRON,  
Deputy Director,  
Office of Alien Property.

EXHIBIT A

- 1 2 drawer carved mahogany chest.
- 2 Walnut highback chairs.
- 1 Czechoslovakia blue glass vase.
- 22 pictures.
- 8 mirrors.
- 15 throw rugs.
- 2 9 x 12 rugs.
- 1 Japanese China set.
- 3 doz. assorted wine glasses.
- 1 painted wooden chest.
- 1 maple set (table and 3 chairs).
- 4 metal flower stands.
- 1 Crosley 6 cu. ft. electric refrigerator.
- 3 metal cabinets.
- 1 oak kitchen cabinet.
- 1 Walnut set (table and 4 chairs).
- Pots, pans, and dishes.
- 1 Gov. Winthrop walnut desk.
- 4 end tables.
- 1 Mahogany drum table.
- 1 Half-round imported mahogany cabinet.
- 1 Imported carved chest.
- 1 Mahogany secretary.
- 3 Upholstered Cogswell chairs.
- 1 Upholstered wing chair.
- 2 Walnut book cases.
- 9 lamps.
- 1 Fireplace screen and tool set.
- 1 Upholstered studio couch.
- 1 Duncan Phyfe drop-leaf table.
- 1 Ladder back chair.
- Candle holders, vases, and bric-a-brac.
- Wall to wall carpet.
- 2 small carved walnut chests.
- 2 single beds.
- 1 Drum table.
- 2 upholstered chairs.
- 1 cane seat chair.
- 1 5-drawer chest.
- 6 small etchings.
- 1 wall medicine chest.
- 1 folding serving table.
- 1 oil Heatrola.
- 2 engravings.
- 3 piece bedroom suite.
- 1 kidney shaped table with stool.
- 1 clothes hamper.
- 1 bedroom set, Curley maple.
- 1 walnut bedroom set.
- 7 dresser lamps.
- 6 piece hickory porch set.
- 1 metal stand.
- 1 porch glider.
- 4 imported (Italian) wall plaques.
- 1 Chinese dinner gong.
- 1 large imported hand painted vase.
- 2 metal folding chairs.
- 1 metal cabinet.
- 1 wooden chest.
- 1 tank fire extinguisher.
- 1 cross cut firewood saw.
- 1 horse drawn hay cutter.
- 1 tank type lawn roller.
- 1 plow.



1 spike drag.  
 1 Ford home made tractor.  
 1 14 cell Gould home electric system.  
 1 hand sled.  
 2 Walnut bedroom sets.  
 1 oak smoking stand cabinet style.  
 1 upholstered davenport.  
 4 Windsor chairs.  
 1 upholstered love seat.  
 1 reed rocker.  
 1 painted kitchen set.  
 1 maple arm chair.  
 1 record cabinet.  
 1 Walnut extension table.  
 100 pieces of bricabrac.  
 Miscellaneous drapes, bedding and linens.  
 [F. R. Doc. 51-2935; Filed, Mar. 5, 1951;  
 8:56 a. m.]

[Vesting Order 14215, Amdt.]

MARTHA CHARLOTTE FREISE ET AL.

In re: Interests in securities and bank account owned by Martha Charlotte Freise and others.

Vesting Order 14215, dated December 28, 1949, is hereby amended as follows and not otherwise:

By deleting from subparagraphs 5 (a), 5 (b), 5 (d) and 5 (e) of said Vesting Order 14215 the phrase "in an account entitled M. G. Freise, Deceased and/or George E. Fischer" and substituting therefor the phrase "in an account entitled J. Henry Schroder & Co., London, Blocked Account M. G. Freise, Deceased and/or George E. Fischer".

All other provisions of said Vesting Order 14215 and all action taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on February 26, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
 Assistant Attorney General,  
 Director, Office of Alien Property.

[F. R. Doc. 51-2936; Filed, Mar. 5, 1951;  
 8:56 a. m.]

[Return Order 880]

MRS. MARIA JUSTINA VAN TONGEREN-BOERS

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, be returned after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Mrs. Maria Justina van Tongeren-Boers, individually and as guardian of Ellen Dawlat,

Ingrid, Hermannus, Ben and Paul van Tongeren, Heemstede, Holland; Claim No. 5922; November 2, 1950 (15 F. R. 7382); An undivided 7/12ths to Mrs. Maria Justina van Tongeren-Boers, individually, and to Mrs. Maria Justina van Tongeren-Boers as Guardian of Ellen Dawlat, Ingrid, Hermannus, Ben and Paul van Tongeren an undivided 5/12ths (being 1/12th to each child) of the following: Property described in Vesting Order No. 201 (8 F. R. 625, January 16, 1943) relating to United States Letters Patent No. 2,034,467; property described in Vesting Order No. 671 (8 F. R. 5004, April 17, 1943) relating to United States Letters Patent Nos. 2,039,692; 2,111,878; 2,152,114; 2,152,115; 2,205,966; 2,225,808; 2,242,354; 2,265,091; 2,281,962; 2,281,963; 2,281,431, and 2,287,652; and property described in Vesting Order No. 291 (7 F. R. 9834, November 26, 1942), relating to United States Patent Application Serial Nos. 409,905 (now United States Letters Patent No. 2,378,600) and 367,293. The interests and rights (including all royalties and other monies payable or held with respect to said interests and rights and all damages for breach of the agreement hereinafter described, together with the right to sue therefor) created in Hermannus van Tongeren by virtue of an agreement by and between said Hermannus van Tongeren and The Buell Combustion Company, Ltd., a corporation incorporated under the English Companies Act dated April 25, 1934 relating among other things to Patent No. 2,039,692, including all amendments and supplements thereto, including but not by way of limitation the amendment to said agreement, executed April 24 and May 4, 1939 and the amendment to said agreement evidenced by letters dated March 18 and June 17, 1941 between Buell Engineering Company, Inc., and said Hermannus van Tongeren, to the extent owned by Hermannus van Tongeren immediately prior to the vesting thereof by Vesting Order No. 1233 (8 F. R. 7041, May 27, 1943) including royalties in the amount of \$120,665.30. This return shall not be deemed to include the rights of any licensees under the above patents, patent applications, or patent contract. In connection with this return, claimant has furnished the Attorney General certain covenants contained in a letter dated September 5, 1950. These covenants, designated Exhibit A, are attached to the determination filed herewith.<sup>1</sup>

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on February 28, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
 Assistant Attorney General,  
 Director, Office of Alien Property.

[F. R. Doc. 51-2937; Filed, Mar. 5, 1951;  
 8:57 a. m.]

[Return Order 894]

PAULINO TRAVERSO AND AURELIA TRAVERSO

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the deter-

<sup>1</sup> Filed as part of the original document.

mination, be returned, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Paulino Traverso and Aurelia Traverso, Genoa, Italy; Claim No. 14492; January 6, 1951 (16 F. R. 218); \$44,382.02 in the Treasury of the United States in two equal shares, one each to Paulino Traverso and Aurelia Traverso. A  $\frac{1}{2}$  undivided interest each to Paulino Traverso and Aurelia Traverso in the real property described as follows: All that certain lot, piece or parcel of land situate, lying and being near the town of Keswick, County of Shasta, State of California, particularly described as Lot 4, Block 9, as per "Map of South Park, showing Jones Subdivision in Sections 17 and 20, Township 32 North, Range 5 West, M. D. M., Shasta County, California," Records of said Shasta County. All right, title, interest, and claim of any kind or character whatsoever of Aurelia Traverso and Paulino Traverso, and each of them, in and to the Estate of Daniele Ceva, also known as Dan Ceva and D. Ceva, deceased.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on February 28, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
 Assistant Attorney General,  
 Director, Office of Alien Property.

[F. R. Doc. 51-2938; Filed, Mar. 5, 1951;  
 8:57 a. m.]

PAUL ROSENBAUM

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Paul Rosenbaum, Grosse Mohrengasse 22/12, Vienna II, Austria; Claim No. 39915; \$2,481.56 in the Treasury of the United States. All right, title, interest and claim of any kind or character whatsoever of Paul Rosenbaum in and to the trust estate created under Article 11 of the Last Will and Testament of Emil Fuchs, deceased; Guaranty Trust Company of New York, Trustee.

\* Executed at Washington, D. C., on February 28, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
 Assistant Attorney General,  
 Director, Office of Alien Property.

[F. R. Doc. 51-2939; Filed, Mar. 5, 1951;  
 8:57 a. m.]



